

February 12, 2025
9:00am – 3:00pm

Panel Members in Attendance

Brianna Saint Pierre, CalEPA, State Water Resources Control Board
Leonard Diggs, Pie Ranch
Dr. Jeff Dlott, PhD, LandScan (Chair)
Erik Porse, PhD, California Institute for Water Resources, Non-Voting Member
Don Cameron, Terranova Ranch
Shanna Atherton, California Department of Conservation, Member
Jonathan Wachter, California Natural Resources Agency, Member
Jon Gustafson, Natural Resources Conservation Service, USDA, Non-Voting Member
Jamie Whiteford, Ventura County RCD
Erin Uchida, CARB

Not in Attendance

Judith Redmond, Full Belly Farm

9:00 a.m. Welcome and Roll Call

- Dr. Jeff Dlott, Chair None
 - Introduction of 2 new panel members, Erin Uchida and Jamie Whiteford

10:00 a.m. Approval of November 2025 Meeting Minutes

- Dr. Jeff Dlott, Chair Decisional
 - Minutes approved

10:10 a.m. CDFA Office of Agricultural Resilience and Sustainability Update

- Dr. Tawny Mata, CDFA Informational
 - Mapped out a timeline for SWEEP and HSP Block Grants. Proposals open for public comment until February 18. Concept proposals opening in April with Full proposals opening in June.
 - Tribal set-aside for HSP – collaborating with other programs for tribal outreach. Expect to open late spring or early summer.

- Outreach for Equipment sharing program starting this summer. Hoping to open program next year.
- Relaunch of Dairy Plus Program under new program name. Money will be available to producers soon.
- Panel Questions & Comments
 - N/A
- Public Comment
 - Sarah Pruden: Will 501c5 entities be eligible to apply for sweep?
 - Director Mata: Prop 4 language limits awards to 501c3. Opportunity to partner with eligible organization.

10:30 a.m. HSP and SWEEP Block Grant Application Guidelines and Award Procedures Review and Approval

- **Dr. Michael Wolff and Scott Weeks, CDFA Decisional**
 - Proposition 4, passed in 2024 set aside money for HSP (\$65M, of which \$36M has been appropriated) and SWEEP (\$40M). CNRA has oversight over this bond.
 - Draft Application Guidelines:
 - Scott reviewed eligibility as defined by Prop 4, along with a description of who is eligible to be a Technical Assistance Providers (TAPs) and explained about the Tribal Set Aside for SWEEP and HSP grants.
 - Review of program goals and objectives including outreach, on-farm project selection, on-farm project implementation and outcomes, state goals and applicant's goals.
 - Technical Assistance available to Block Grant Applicants by UC ANR, Community Education Specialists. CDFA will host 2 informational webinars and plans to provide 30-minute consultations for full proposal applicants.
 - Application Process will be held in 2 parts: concept proposal (50 points) and full proposals (100 points).
 - Applications will undergo an Administrative Review and Technical Committee Review before being invited back to submit a full proposal and committees may use portfolio balancing to determine applicants.
 - New Orientation Materials for On-Farm Applicants
 - SWEEP has online resource: 'How to Participate in SWEEP,' that describes SWEEP specific strategies and requirements.

- Review of Eligibility for HSP and SWEEP
- **Panel Member Discussion:**
 - Panel: Are there regions of the state that don't receive eligible applications that could still benefit from the programs? How will programs cover these gaps?
 - CDFA: CDFA does not have capacity to administer direct to farmer grants. This would have to be structurally addressed for how this program is funded.
 - Panel: Encouraging to hear partnership with UC ANR. What training or onboarding will CDFA provide for CES?
 - CDFA: CES has worked with our programs before, but CDFA will provide training on scoring, proposal process, goals and indicators to provide coaching and help refine proposals.
 - Panel: In anticipation of portfolio balancing questions raised, I suggest that service area needs are considered by CDFA staff.
 - CDFA: When proposals are submitted, they will be posted on CDFA website. Some won't be invited back but may provide applicants the opportunity to connect with others to expand area.
 - Panel: Is the focus of portfolio balancing geographic or emphasis on counties that have large ag economies? With respect to CES, will the CES providing assistance to BGR and the beneficiaries?
 - CDFA: CES can support block grant applicants. This is the first phase but will have opportunity to support on-farm implementation phase as well.
 - Portfolio balancing will mainly focus on geography but not limited to it.
 - Panel: Are CES's funded through BGR budget?
 - CDFA: No, not funded through BGR.
 - Panel: New applicants may be confused about what to achieve for performance indicators. Suggest including diagrams or graphics of the requirements. How does an applicant establish if applicants are included in SDFR or DAC?
 - CDFA: CNRA is still working to finalize this tool. Believe it will use same technology off census track to substantiate bond's requirements.

- Panel: Request for staff to elaborate on components that will be under the qualification evaluation.
 - CDFA: This is more thoroughly described in grant documents. Will be looking at specific list of job duties and roles we are looking for with resumes, such as grant project manager, fiscal manager, technical assistance lead.
- Panel: Some applicants may not have full capacity now, how does CDFA accommodate this?
 - CDFA: CDFA does allow applicants to propose descriptions of roles they will be hiring for. Need to ensure they will have capacity to hire and sustain someone for grant duration.
- Panel: Is there an opportunity for some BGRs to have a statewide focus? There are requirements to visit farms multiple times, but some organizations have statewide coverage.
 - CDFA: Yes, there could be applicants that could fill in some of the community gaps and community needs that could be statewide.
- Panel: With respect to the roles, do any changes to the roles require an amendment? If that's true, would the preferred method be to throw everyone you think could fill these roles in if someone happens to move on?
 - CDFA: We may have to do some project modifications on CDFA side to keep records. Staff would be looking for one name to fulfill role. As people move on, we can and have done project modifications to update list.
 - Panel: Question around BGR submitting tax documents over last 3 years – what is it staff is looking for? Some organizations will not show significant bank balances.
 - CDFA: These documents go to the audit office to ensure organizations have good record keeping procedures and are able to handle these grants.
 - Panel: Presumably there will be scoring around the history of staff and organizations that have handled grants before; how does this fit into the scoring?
 - CDFA: This is not part of the scoring but will help CDFA see how much assistance the applicant may need. In terms of

portfolio balancing, it helps CDFA determine risk if they do get a grant and what support they may need.

- Panel: Asking for clarification around what a prompt is? Are there others that should be added? What does a prompt mean in this respect?
 - CDFA: Intent is to ask organizations to explain 3 different pillars, but this is not the only thing that can be. Isn't meant for a comprehensive list of information but items CDFA wants to assess. Prompts will go into grant management system to applicant will need to read prompt and see how it is scored and answer appropriately.
- Panel: Page 4 clarification on awards for different projects. Climate bond allocated less money for SWEEP. Typically SWEEP projects are more expensive?
 - CDFA: Just how the final Proposition was passed.
 - Panel: Grant term maximum of 4 years. HSP practices can sometimes span 3 years, but SWEEP projects advance quicker, with a possible extension. Has there been discussion about making HSP projects 5 years?
 - CDFA: Prop 4 has specific encumbrance and liquidation guidelines. We may be able to request additional time, but this happens later in the cycle. We cannot guarantee the extension for these dollars. The legislature formally allocates the dollars, usually only entertained when the bills expire.
 - Panel: May be confusing to say maximum of 4 years. Perhaps changing the language of up to 4 years with the possibility of extension.
 - Panel: As a grantee, it is hard to plan for the years to come. Some grantees have only stacked one-year practices while onboarding 3-year practices and this requires complex planning.
 - CDFA: Have laid out how CDFA will help execute the grant successfully, but it is a challenge.
 - Panel: Question around layering funding – grantee can't receive funding for practice already happening on specific

land. Can this allow match funding with other state funding for various practices?

- CDFA: For block grants, grantee would have to propose funding as a match and could suggest this in application. In past, for SWEEP, have allowed growers to receive funding from EQIP to alter different components. CDFA won't partially pay for components, and items have to be installed during grant term.
 - Panel: on page 11, grant beneficiaries must quantify benefits, but new applicants may not be familiar with tools. May want to include training with various tools as they can be fairly rigorous that could be a barrier.
 - CDFA: Michael will be talking about training soon but a good note.
- Michael Wolff continues with presentation discussing 'How to Participate in HSP' resources for HSP.
 - Michael explains that HSP has created a new practice guidelines document to aid in conversation between applicants and TAPs.
 - Review of 2 new practices funded under HSP: Biochar and Re-Saturation of Delta peat soils and discontinuing Nutrient Management practice
 - Overview of new payment options for soil amendment practices for compost, woodchip mulching, natural materials mulching, biochar application
 - **Panel Questions:**
 - Panel: Clarification about invoicing process
 - CDFA: there are different ways that block grant recipients can pay invoices. Block grant recipient will have discretion to approve source and cost.
 - Panel: Expressing confusion over WOR incorporation requirements. CalRecycle and CDFA mention differences so want to be consist in messaging for the practice.
 - CDFA: Clarification on WOR practice requirements
 - **Draft Award Procedures Manual:**

- Overview of procedural overview and updates – Grant Award Procedures Manual (GAP) has been restructured with procedures that have been unified between HSP and SWEEP when feasible.
 - Building upon the Block Grant Pilot experience, the changes facilitate autonomy through training, transparency, streamlining reports and records and strengthened customer service to on-farm beneficiaries.
 - Training for Autonomy: Onboarding (mandatory in-person event early in grant term), topical trainings such as use of planning tools, strengthen networking opportunities among BGRs, and ongoing office hours
 - Overview of examples of streamlining reporting. Invoicing to CDFA by two buckets: project administrations (Admin + TA) and On-Farm Projects. BGRs to manage on-farm projects more independently, providing quarterly updates to OARS. No more HSP on-farm verification ‘template.’
 - Strengthened customer services to beneficiaries including BGR required to create a webpage housing program information, mandatory pre-award site visits, flexible support for demonstration activities, and prompt payment to growers.
 - Public comment period: Closes February 18.
- **Panel Questions & Comments**
 - Panel: Onboarding maintenance seems potentially long if looking at identifying concerns. How long do you anticipate onboarding phase to last? In maintenance phase, could this be shorter than 1 year?
 - CDFA: each type of documentation has different type of training. Checks will be random and unpredictable but will happen at least once in a year. For higher risk organizations, this may be more often.
 - Panel: Recommend, for the case studies, to collect data on air quality benefits of these projects. For example, the amount of woody waste that is no longer burned.
 - CDFA: Good point to follow up on.
 - Panel: Flagging working through CalEPA agency to amplify message in future rounds.
 - Panel: Is there still a soil sampling requirement?

- CDFA: No longer required for grantees to sample soils. It is an allowable TA expense in on-farm project budget. Further guidance on this coming in final materials.
 - Panel: Clarification on benefits to the public – is part of the goal for demonstration projects to make a push to educate general members of the public? Typically, these target farmers and ranchers about practices being don't but larger push for community to understand.
 - CDFA: Not CDFA's intent that they had to invite general public to events, normally to growers. Goals could include community awareness of practices in the region that could be accomplished during demonstration days.
- **Public Comment**
 - Kristin Cooper: The SWEEP tools only calculate GHG reductions from pump energy savings and limited N₂O reductions. They don't capture soil carbon benefits from improved irrigation (reduced tillage enabled by drip conversion, etc.), which means SWEEP projects are systematically undervalued compared to HSP. You may want to reconsider this approach.
 - CDFA: Aware of limitations of SWEEP tool and carbon sequestration issues associated with it. We also don't capture reductions in other areas, focused specifically on irrigation system modifications.
 - Anna Madsen: Is there any possibility the eligibility requirements for block grant recipients will be adjusted based on public comment, or is eligibility set in stone?
 - CDFA: It is set in stone, it was part of the proposition passed by voters, so not changeable by public comment.
 - Kristin Cooper: The SWEEP eligible practices list is anchored to 12 NRCS Conservation Practice Standards from the USDA CA, which haven't kept pace with innovation. Notable omissions: AI-driven irrigation management and predictive analytics — Sensor-based, machine-learning platforms that optimize irrigation scheduling in real time (companies like Ceres Imaging, CropX, Arable) don't map cleanly to any NRCS practice code. A 2024 GAO report found that only 27% of U.S. farms use precision agriculture practices U.S. GAO, largely due to cost — which is exactly what grant programs should subsidize. Yet the SWEEP framework doesn't explicitly include AI-based decision support tools.

Drone-based crop monitoring and thermal imaging — Used increasingly for detecting irrigation inefficiencies and water stress, but not captured in the NRCS practice standards that SWEEP relies on. Atmospheric water generation and fog harvesting — Emerging technologies for supplemental water in coastal ag regions that have no NRCS code equivalent.

- CDFA: Acknowledge NRCS guidelines have limitations to some technology in SWEEP. Have funded some of these portions before. It is not explicitly unallowable but not called out in NRCS guidelines.
- Steve Haze: Within ANR has an individual been assigned to coordinate statewide technical support for potential block grant applicants? If so, will that be made available in the near term? Thank you!
 - CDFA: Yes, it will be, we are still working on this agreement, but it will be made available and widely advertised.
- Kristin Cooper: Managed aquifer recharge (MAR) on farmland — While "Water Harvesting Catchment" is listed, the intentional recharge of groundwater basins through agricultural land (increasingly important under SGMA) doesn't clearly fit the SWEEP framework, even though it's central to California's water resilience strategy. IoT-connected soil moisture networks at scale — Individual soil moisture sensors are referenced under "Irrigation Water Management," but large-scale networked sensor deployments that feed into shared regional data platforms aren't addressed. Recycled/treated wastewater integration — On-farm systems to accept and distribute recycled water from municipal treatment aren't covered, despite being a critical drought resilience strategy. Carbon-benefit quantification from SWEEP projects — The SWEEP tools only calculate GHG reductions from pump energy savings and limited N₂O reductions. They don't capture soil carbon benefits from improved irrigation (reduced tillage enabled by drip conversion, etc.)
 - CDFA: Acknowledge that SWEEP is an on-farm specific program for individual farmers and not a basin approach.
- Anonymous: Individual farmers as direct applicants — The shift from direct-to-producer grants to the block grant model means farmers can only participate as "Grant Beneficiaries" through a BGR intermediary. CA This adds a layer of bureaucracy and means farmers don't control the process — the BGR picks projects, sets timelines, and manages funds. Farmers who've historically worked directly with CDFA may find this alienating.

- CDFA: We also pick projects, timelines and manage funds but we hope you have a more local organization that can help with these projects and tried to add more transparency to project so farmers know what to expect.
- Anonymous: The distinction between subrecipients and contractors is laid out as a checklist CA, but the guidance says if you answer "yes" to four or more questions in either category, it falls that way. What happens when it's a 4-4 tie? It would be helpful if this was addressed.
 - CDFA: The line between contractors and subrecipients is up to the block grantee. The contract is a relationship between the contractor and sub-awardee. Recommend talking to technical assistance providers for advice on this topic.
- Anonymous: The "portfolio balancing" provision allows OARS to fund projects not strictly according to ranking by the Technical Review Committee CA, which introduces subjectivity. For an applicant, there's no way to strategize around this — it's a black box that could override a strong score.
 - CDFA: Note that we will not fund any non-competitive project through portfolio balancing.
- Kristin Cooper: The "direct and meaningful benefits" standard requires meeting all four criteria simultaneously, but the guidelines don't clearly explain how an applicant demonstrates that a project "directly responds to the (S)DAC's or vulnerable population's expressed need" if the BGR hasn't yet engaged those communities at the concept proposal stage. It creates a chicken-and-egg problem: you need to show community input, but the project doesn't exist yet for communities to weigh in on
 - CDFA: One suggestion – there is research, white papers, local public meetings that you could base the need that is already based on community input. You can base the needs on this without a lot of research up front on your part.
- Blair Bain: How recent must the pump test be? Can you define the 'Portfolio Balancing' approach?
 - CDFA: Need to review documents to make sure it is clearly defined. In past it has been in the last 3 years. It is beneficial to have a more recent pump test.
- Anonymous: why is CDFA only providing direct funding to UC ANR to provide Technical assistance. CARCD could have a similar opportunity of

direct funding given RCD representation in the state. which is more broad in reach and bandwidth than UC ANR Community Education Specialists?

- CDFA: We have a long-standing MOU with them - we use the MOU to make this agreement. Also, we believe that RCDs will apply for Block Grants, so it could be a conflict of interest to have RCDs be technical assistance providers as well as applicants.
- Steve Blumenshine: For Block Grant applicants & concept proposals, would it be beneficial to have a diversity of farming interests for the 'Need' & 'Network' components? e.g. grower groups, commodity groups, RCDs', GSAs, etc. Thanks
 - CDFA: Suggest to look at rubric at end of application and how technical review panel would view this. Please submit public comment if not addressed.
- John Heywood: Will Healthy Soils Program funding be available to support growers who wish to compost orchard or vineyard removal biomass under the permitting exemption established by SB 279, signed by the Governor in October 2025?
 - CDFA: In principle it is available, but we would need to look into detail for this because compost is supposed to being an annual practice through the HS program. We look forward to further discussion with you on this comment.
- Anonymous: How many staff would you suggest an applicant bring on to successfully implement this type of grant funding? 1, 2...more?
 - CDFA: Not aware of expertise and capacity of individuals. There are specific roles we are looking to cover in application or ability to hire to accommodate the task. One individual can fill multiple roles. Reminder that you can coordinate with a TAP or contractor to support certain services.
 - CDFA: Typically see at least 3 roles, one to manage in strategic way, one to keep track of expenditures and documentation and one to perform TA activities and visit farms.
- Anonymous: Can a grower/grant recipient pair SWEEP funding with EQIP/NRCS/Federal funds on projects, and what percent of match would be accepted...50%, 33%, etc.?
 - CDFA: Yes, it can be paired, and CDFA would not pay for partial practices or equipment installations.
- Anonymous: Can a "Demonstration Type Project" be funded as an individual project within a block grant?

- CDFA: No but we are allowing demonstration type expenses to amplify outcomes of projects. Expecting to have demonstration grant solicitation later.
- Anonymous: Are BGRs who do direct invoicing/purchase/transport of compost/mulch/biochar allowed to let the farmers do their own spreading, or do they need to find/hire a third party?
 - CDFA: Under the terms of HSP we cannot pay farmers for their labor. There is an incentive for the farmer to find a contractor. It is not prohibited for farmers to do their own spreading.
- Renee Cashmere: Pertaining to compost, the previous grant application allowed up to 7 or 8 tons per acre. Will there be a limit for this application package?
 - CDFA: Yes, the absolute limit is still 8 tons.
- Anonymous: Do you anticipate current BGRs will apply again? What are OARS/the Board's thoughts on BGRs being awarded again or having concurrent agreements/programs?
 - CDFA: We are sure that some will. No mention in review criteria that would disadvantage them.
- David Wilcox: The practice focus tends to mitigate against system replacement that would be one or multiple technologies that work together to achieve multiple objectives. Examples include: 1. Multi-material systems deployed through Fertigation and sensor optimization that grows soil organic matter, sequesters deep carbon, saves water and controls N&P application at source. 2. Plant health and organic substitutes for N&P that grow more food with less water. 3. Organic alternatives to biochar that are delivered through irrigation technology instead of tons and spreading, and are more powerful with just grams per acre. Can systems replacement proposals be made that leap frog the scale limitations of practices. System partners meeting with commodity associations and irrigation districts that are scared about rules around DWR and pumping caps. Situation created where no practice based effort could meet the timeframe to respond or fail. The release by DWR of Subsidence Best Practices is causing significant activity in irrigations districts that are prone to subsidence. IDs are inferring that soon there will be pumping caps in most cases below 1 AF/ac. For dual cropping dairies and high water use crops, this can be the death knell in IDs lacking multiple sources of water. In these cases the commodity associations and ID leaders will need improvements that can't be

achieved by practices in the time frame required by the caps. Any response at scale will require technology and systems replacement at scale requiring coordination among associations and IDs. What should these partners do in order to comply with SWEEP & HSP requirements while engaging the state in effective ways to improve success/failure outcomes? How does the state, sitting with different resource pools, funded by prop 4, reassemble resources in a way that can cost-effectively prove in scale in 2 years?

- CDFA: Prop 4 money is spread over many agencies with different deadlines for individual programs. Still need to write guidelines around these programs. Difficult to work across agencies unless smaller pilot programs with multiple agencies.
- Anonymous: Can you elaborate on some of the "other respects" by which HSP verification will be simplified?
 - CDFA: Simplified requirements for photos, a BGR visit may work for photos, stopped with verification templates for individual projects, simpler invoicing. See draft practice guidelines.
- Petrea Marchand: Can you please update the SWEEP web site front page with the updated guidelines? Right now it just says the SWEEP application period is closed. <https://www.cdfa.ca.gov/oars/sweep/>. Could you also create a Healthy Soils/SWEEP specific subscription option? Thank you!
 - CDFA: There is a proposition 4 website because HSP/SWEEP have unified guidelines. We are still in the draft process, but when final, the websites will be updated.
- Brian Kolodji, Black Swan – Have managed a SWEEP Project. How is CDFA going to respond to written comments prior to 2/18? Are you aware of Federal Agency of forest lands to capture carbon dioxide in working lands? Recommend CDFA and CARB to participate with federal agency.
 - CDFA: We will do our best to respond live and if wanting written response, then submit comments through the portal.
- Brian Pimentel: Agency is currently administering block grant through Placer RCD. This has been a great opportunity to expand capacity. Appreciate phasing in independence and speed of reimbursements to farmers. Request practice guidelines to state requirements for reimbursement to help BGRs pay out farmers. One challenge around geotagged photos, often these technologies mistake locations, and takes

a lot of time to track down and correct photos. In place of photos, trust BGRs to perform in-person verifications.

- CDFA: Thank you, bringing up issues we know about and have relaxed some requirements around geotagged photos. In draft application guidelines, we do provide greater clarity. In case of location issues, there is room for BGRs to visit and address these problems.
- Lydia Breen: Does this grant apply to urban farms?
 - CDFA: There is no prohibition if they are food producers.
- Anna Larson, CalCAN: Excited to see block grant evolve from pilot and that it has resulted in more hedgerow and cover crops and support for cap on practices to encourage this. We think concept proposal can help with regional collaboration but 30% cap on contractors may prohibit this and to look into the risk before finalizing this. Around 40% of target to DACs or SDACs, could a BGR give 40% to these groups?
- Sara Tiffany, CAFF: Have been working with small scale and SDFR farmers access programs since 2017. Has there been consideration around how current BGR structure may correspond in smaller scale going to TA/Admin. For a BGR that is serving larger growers that are able to develop projects that meet the cap, the BGR would managing 10-11 farmers that meet the full cap involving TA. For smaller scale farms, we see smaller projects, often SDFR. Often see project amount between \$30-\$50k. That BGR would be managing upwards of 40 contracts with farmers and subject to same total limits for TA and Admin.
 - CDFA: Hope you will submit this as a written comment. We would be interested on hearing your input on how to scale the TA costs.
- Campbell Ingram, Delta Conservancy: Appreciate seeing delta practices allowed in the HSP program and are happy to continue to partner with the CDFA Block grant programs. Rice cultivation in the delta is cost effective and helps protect water supplies south of the delta. SWEEP practices help support farmers/ranchers reducing energy costs. Would be great to see the Prop 4 language revised to include “public entity” language as eligible groups. Also, the project financial caps for the block grants are low for projects based in the delta. We know there is sufficient demand for these projects. For SWEEP solar projects, these can run several million dollars, so the low caps could make these projects hard to realize.

- Anonymous: In the Lower Colorado River region, many irrigation systems rely on gravity-fed deliveries, surface water conveyance, or pumping regimes that are already highly energy-efficient or minimally energy-dependent. As a result, meaningful investments in irrigation efficiency—such as automation, flow control, canal modernization, and on-farm efficiency improvements—can generate significant water savings without producing proportionally large energy or GHG reductions as calculated under existing SWEEP methodologies. Under the draft guidelines, projects that yield substantial reductions in applied water or system losses may score lower or be deemed less competitive solely because they do not generate high modeled GHG reductions. This outcome does not reflect the realities of Lower Colorado River operations, where conserved water contributes directly to:
 - * Basin-wide shortage mitigation and system reliability, Reduced pressure on overallocated Colorado River supplies, Compliance with conservation and operational reqs.
 - CDFA: The SWEEP tool has incorporated the nitrous oxide reductions emissions from practices – this is based on DNDC model developed by CARB and UCD. Applicants don't need to have baseline emissions for a project. Regarding a comparison of water savings and GHG savings between projects – this is not contingent on the max water and GHG savings, you just have to show the overall reductions for the project. If allowed only for cumulative water and GHG savings, this would only end up primarily only fund larger farms.
 - CDFA: Block grantees can create their own selection criteria.
- Anonymous: Regarding the earlier comment about soil testing, is direct measurement of outcomes for HSP projects optional?
 - CDFA: Soil health sampling is optional. We have found the testing producers were doing themselves was not a very reliable data source. HSP Team is working on guidance to gather better data.
- Brian Kolodji: The current Climate Block Grant Programs Guidelines Draft states : "SWEEP promotes the use of water and energy efficient irrigation systems to conserve water and to reduce greenhouse gas (ghg) emissions associated with irrigation. 40 years USDA and USDOE research ag industry and commercial practice shows crop Free Air Carbon dioxide Enrichment (FACE) removes increases the water utilization efficiency and biomass production including crop yields by 40 to 200%. Based on USDA data for this Direct Air Capture technology, the

Governor's goal in the CARB scoping plan of 7 million tons/year carbon dioxide removal can be met before the 2035 goal with ag alone. Is CDFA going to allow awards for Carbon dioxide removal with FACE enrichment of crops?

- CDFA: Did allow this once and did not go well. Not commercially available technology so would not be allowable under programs.
- Sara Tiffany: Is OARS collecting any data on how many HSP and SWEEP producer recipients are non-English speakers? If not, we recommend collecting this data for improved equity analysis.
 - CDFA: Yes, we will be using a standardized survey created by our farm equity office to understand the details and collect the data of the recipients for the projects.
- Anonymous: An earlier question was asked about the Budge Rules. Specifically, the 30% cap on Subaward and Contract costs from the Primary Applicant's Project Admin budget. We have worked as a subgrantee on past CDFA programs and greatly appreciated the collaboration that stemmed from work between subgrantees and BGR's. Can you address concerns about how the budget rule might discourage subgrantee collaboration?
 - CDFA: We can, willing to consider change.
- Clarification on approval and recommendation to Secretary. If there are significant changes, we can return to panel. Will address decisional item after lunch.

12:00 p.m. Lunch

1:00 p.m. Proposal to Constitute Ad Hoc Subcommittee to Expand Pathways to Compensate Producers for Climate Smart Agriculture Adoption

- **Chair Dlott continues conversation about earlier decisional item.**
 - Recapping main points including clarity around community, underserved communities, cross-agency communications, and subcontractors.
 - Panel expressed consensus around \$2M as lower cap for organizations to serve communities.
 - Panel discussion around average funding of BGR grant projects.

- CDFA: SWEEP program average project cost in 2023 was \$140,000 and for HSP it was \$77,000 per project. Comparable to direct to producer grants.
 - Panel discussion around block grant recipient autonomy
 - Early contacts to lead to fast autonomy.
 - In the GAP, there were specifications around a number of projects, will there be guidance on how fast to correspond and get back to grantees?
 - Director Mata to draft a letter to summarize: no recommendation on sub-contracting amounts, CDFA to consider how to format grants to serve smaller producers and will need to come up with proposals and in light of this, look at project size and how many can be served, ensuring staff availability to meet commitments and ensure cross agency communications to publicize solicitation.
 - Panel: Emphasize doing what we can to ensure geographic distribution of grants whether through OARS staff or Technical Assistance.
 - Motion approved by panel.
- **Dr. Nina Bingham, CDFA Decisional**
 - Proposal to Constitute Ad Hoc Subcommittee to Expand Pathways to Compensate Producers for Climate Smart Agriculture Adoption
 - Purpose and Overview: CDFA goal to increase adoption of climate-smart agricultural practices and bolster economic opportunity for CA producers implementing these practices. Focus on Measurement, Monitoring, Reporting and Verification (MMRV)
 - Climate-Smart Practices and the Importance of Soil Health
 - Practices can help reduce greenhouse gas emissions, sequester carbon in soil, benefit environmental quality and agricultural productivity and animal and human health.
 - Overview of grower barriers to practice adoption mechanisms to boost implementation.
 - Emphasize importance of looking at multiple pathways to fund practices. MMRV for funding pathways can be cumbersome or discouraging as an investment.

- Uplift more pathways such as labels, certifications and payments for ecosystem services to expand pathway access that reward producers for the adoption of climate-smart and healthy soils practices, while making sure these pathways fit California grower needs and prevent greenwashing – MRRV assessment
- CDFA proposal for Ad hoc Subcommittee:
 - Identify funding pathways for growers
 - Assess each pathway for what is needed in the MMRV components to best suit CA specific needs
 - CDFA presented an example of multiple pathways to expand adoption and bolster economic opportunities
- Introduction and presentations by guest speakers:
- Dan Sonke – Blue Diamond Growers
 - Overview of Agriculture Stewardship programs. Multi stakeholder approach to educate growers. Provide incentives to participate in Almond Board and Bee Friendly programs.
 - Blue Diamond focuses on cover crops, bee pastures, whole orchard recycling and hedgerows.
 - Blue Diamond asked growers about their MMRV needs and made strategic decision to wait until better market signal to ask about needs. Concerned that there is a lot of variability, approach, data needs, pricing and marketplace recognition.
 - Encourage state programs to harmonize with market-based tools, and recognize stacked ecosystem services when possible.
- Cole Smith, UC Davis
 - Overview of Horwath Biogeochemistry and Nutrient Cycling Lab
 - MMRV
 - MM: experiments evaluating impact of conservation practice; direct measurements of soil and crops; Management Data; Data analysis and modeling
 - R: A standardized record of conservation practices, management activities and soil/plant sampling; scaled estimations of soil carbon sequestration and nitrogen loss (N₂), nitrate leaching)
 - V: action based: was the practice implemented; results based: what is the quantifiable impact of the intervention; proof of practice implementation with traceable estimates
 - Barriers to MMRV adoption

- Regulatory compliance, decision supports tools and sustainability reporting or MMRV reporting in addition to others
 - Opportunities of MMRV adoptions needs to be simplified
 - Benefits to producers
 - Expands access to international and domestic markets by verifying conservation impacts; improves efficiency when used with nutrient and irrigation decision support tools; reduces reporting burden and improves regulatory compliance; enables realistic goal setting through regional benchmarking
 - Key Priorities
 - Map existing MMRV activities, projects, and systems within the state; establish clear MMRV goals; explore public-private partnerships to determine the value proposition; improve CA agroecosystem models through innovation in data collection and harmonization; establish clear reporting standards
- Erika Foster, Point Blue Conservation
 - Longest MMRV effort has happened on rangelands. Rangeland Monitoring Network started in 2014 and cover 150+ ranches and 4 ecoregions to collect soil carbon data and biodiversity impact of ranching.
 - Next step is to connect datasets, ecological and management information
 - Built governance and leadership structure; outreach to data producers, scientific advisors, existing dataset managers
 - Next phase: build the prototype dataspace and sharing process
 - Grazing Lands Carbon Data Initiative (GLCDI) - federating grazing management and soil organic carbon data to derisk the transition to regenerative grazing.
 - Community efforts with open-source technology to connect data and tools – GOAT, data transfer standard, network map of regenerative agricultural tools and data standards

- Envisioning a future for CA MMRV
 - Protect existing agricultural lands; climate-smart includes mitigation and resilience; incentives for conservation practices; harmonize existing datasets and standards; calibration and validation of ecosystem models; long-term monitoring network; explore public-private partnerships
 - Alison Edwards, Stewardship Index for Specialty Crops (SISC)
 - Tools to measure sustainable and regenerative ag outcomes and track continual improvement for fruit, nut and vegetable production
 - SISC metric out outcome-focused and allow for growers to evaluate their own progress. Used as a grower management tool and second as a mechanism to communicate performance across supply chains. Idea to have one yardstick for measuring sustainable outcomes over time
 - What is needed to improve MMRV to best benefit CA Agriculture?
 - Do not create something new or separate; Refine objectives of CA's MMRV work; Get a very clear overview of ongoing efforts and data needs; Finalize what, exactly is being measured; Identify/design the tools that are needed to support reporting; What technical assistance is needed to help growers with MMRV; Verification; Compensate growers
- **Panel Questions & Comments**
 - Panel: Agrees there needs to be a simple reporting scheme. To Erika, there was mention of GLCDI where access to the information was kept private but shared with research and policy makers. Was this a decision made to mitigate against practitioners that don't want info falling into hands of regulatory agencies
 - Erika: The initiative is in a prototype phase so still evaluation permissions. As we start monitoring, we have been sharing agreements with farmers to make decisions around their benefits and outcomes. In order to promote monitoring we want to offer options for privacy.
 - Panel: Recommendation to tack funding on to already funded projects, there are a lot of working lands projects with specific

goals, and it would be nice to add on specific component to address these factors.

- Panel: Incentivizing practices and results-based approach to verification and value proposition. In what I heard, a lot of focus was put on growers, or crop centered or location centered. In mandatory organic waste collection and compost policy, that was consumer centered and it drove services. While it's important to do the monitoring and measuring, along that pathway is the consumers who are often going to pay for a lot of this as opposed to driving the cost to growers and managers. Wrapping ourselves around the monitoring, we need to have policies to drive consumers to pay for this and are incentivized to do this.
- Panel: How often does buyer data requirements change? We heard from Dan and the frequency of soil data collection being an issue. Who owns the responsibility of establishing what methods and protocols for each of the methods for all the different ag operations?
- Alison Edwards: our organization is supported by members but in a perfect world, the state would be supporting it. Hard for private sector to support this and has been an issue for a while.
- Panel: Flag what has been heard across all presentations 1) increased uptake of sustainable practices and funding pathways and 2) need for standardization of MMRV and those feel distinct in terms of who would sit on the committee.
- Deputy Secretary Jameson: Be clear about what we are proposing and a need to understand all the factors and be realistic about what we can do at CDFA. There is a need here in many arenas and we know there are people that know a lot about this and could be informative when doing that assessment.
 - Nina Bingham – if we uplift a new pathway and compensate growers we will want to collect data and want these pathways to talk to each other and share data.
- Panel: Who is the audience and end users? Specific to CA have those two things in mind to create a user-oriented product. When looking over presentations from Alison, the different metrics that were included on-farm, some of this data the state already has at a parcel level. There needs to be proper representation on the committee. The data may be separated to protect the individuals, but then you are back to the voluntary model.

- Panel: Farmers produce more than food and fiber so how do they get paid for that? How to capture all the co-benefits? Capturing the value and reducing transaction costs to get to the end person who is buying it is a lofty goal. We have to rethink this and emphasize place-based services. Valuing ecosystem as a place of production and keep transaction cost as low as possible when it gets to the other end.
- Panel: What is clear is that the needs are vast and diverse and want to acknowledge what has been put into this currently. What is CDFA or the state led committee, what are they uniquely positioned to tackle?
 - Deputy Secretary Jameson: Can play a convening role and work to get all the important voices in the room and put something out there to try to move the ball.
 - Director Mata: Thinking about being inclusive to a variety of growers.
- Panel: When would the report need to be written by to be effective? Considering there are changes coming from buyers constantly.
 - Deputy Secretary Jameson: Proposing this process does not go longer than this December due to funding. Expressed interest in having a facilitator.
 - Director Mata: There is a small amount of funding for this committee.
- **Public Comment**
 - G Ludwig: A) is CDfA looking at this MMRV effort in the context of the corporate GHG reporting requirements by California? The second part of the legislation is showing GHG reductions to the companies. Ideally that would be connected to providing some funding as a value added to the supply chain. B) even for data rich almonds we have struggled with getting good emissions factor for the range of practices. At least of the quality demanded for voluntary carbon markets. How will CDFA deal with the diversity of CA crops and the data needed to go into the MmRV? Can CdFa work w those who set voluntary market standards to assess data quality needed for specialty crops.
 - G Ludwig: Agree that we need to think about lowering the cost and keeping track of ecosystem services growers provide and need community to know this is value added. How do we learn from people that have been doing this and establish what has been working in current models? CDFA needs to grapple with, right now

at state level, we have greenhouse gas reporting requirements. Moving from voluntary to mandatory space and this isn't what CDFA has traditionally been working on. How do we help all these commodities that are grown and processed in CA to be scope 3 baselines needs? What are the different models? How to establish appropriate boundaries? MMRV is not just carbon, it's all ecosystem services although they will overlap.

- Anonymous: There is a lot to learn from the private sector in the MMRV work; it is somewhat concerning that it is not included, as the private sector has much to teach.
- Brian Shobe, CalCAN: How this committees work with CDFAs ongoing regulatory streamlining work and regulatory reporting burden? How this committees discussions might relate to ARBs working lands inventory. ARB identified needs to prove modeling work and understanding that CARB is working on a more comprehensive tool.
 - Deputy Secretary Jameson: hoping there will be some crossover and don't know on the NDS tracking, CARB has been working on that and hopefully we will know more soon. Want to lift up voices of what we want to see to inform committee.
- Kaffka: Comment that in theory measure to manage programs have great benefits to improve efficiency.
- Panel Members approved unanimously. Motion approved to form Ad Hoc Committee. 2 panel members volunteered to serve on committee.
- Final General Public Comment:
 - No comment

3:00 p.m. Adjourn

Motion to adjourn approved. Meeting adjourned at 3:25