November 20, 2015

Mary Nichols, Chair California Air Resources Board 1001 "I" Street Sacramento, CA 95814

RE: Cap-and-Trade Auction Proceeds Second Investment Plan

Dear Chairwoman Nichols,

The California Farm Bureau Federation supports providing financial assistance to agricultural operations that are willing to voluntarily take the time and effort to implement management practices that can result in additional irrigation efficiency, water conservation, wildlife habitat conservation and soil carbon sequestration. These operational changes take additional time and money and will need to be recognized by the California Air Resources Board as GHG reductions accomplished by the agricultural sector in helping meet the statewide goals.

CFBF has worked closely at the state and national level to support scientific research that has been instrumental in developing background data and methodologies that can quantify GHG reductions and sequestration potential from a range of agricultural practices. Extensive work has been accomplished by the United States Department of Agriculture (USDA) and the Natural Resources Conservation Service (NRCS) that can provide a uniform approach that can be used nationally and internationally.

It is important that any goals for increasing carbon levels in California's agricultural soils be voluntary. The Healthy Soils Initiative has many merits, but must always be based on an economical and sound life cycle analysis. CFBF will continue to work with the California Department of Food and Agriculture and others to find opportunities to encourage agricultural management practices and activities that reduce GHG emissions and provide multiple ecosystem benefits in a realistic manner that maintains California's ability to provide the majority of the nation's fruits, vegetables and nuts.

Sincerely,

Cynthia L. Cory

Director, Environmental Affairs

antha L. Cory