

Governor's Proposed State Budget Supports Climate Smart Agriculture

Governor Brown's proposed 2016-17 state budget introduced in January includes more than \$100 million in cap-and-trade funds to support agricultural practices and projects that will help the state meet its greenhouse gas (GHG) emission reductions goals. Specific allocations include:

- **\$20 million** to implement a **Healthy Soils Initiative** to help farmers sequester atmospheric carbon in soils.
- **\$20 million** for the **State Water Efficiency and Enhancement Program** (SWEEP) to provide incentives to farmers to use practices and technologies that will save water and reduce GHG emissions.
- **\$35 million** for financial incentives to livestock producers to use **dairy digesters and other manure management practices** that will reduce GHG emissions.
- **\$40 million** for the **Sustainable Agricultural Lands Conservation (SALC) Program** to fund farmland protection in permanent easements that will reduce sprawl development and thus prevent new GHG emissions.

The Governor's budget proposal comes on the heels of last year's SB 367, authored by Senator Lois Wolk from Davis and co-sponsored by CAFF and CalCAN. SB 367 included funding for many of the practices endorsed by the Governor, and though the bill was held in the Legislature, it can be seen as a major impetus for the Governor's current "climate smart ag" proposal. It marks the first time the state's GHG emission reduction program under AB 32 has dedicated significant cap and trade funds to agricultural practices that can reduce GHG emissions and sequester atmospheric carbon.

CAFF and CalCAN are working with Senator Wolk to consider amendments to SB 367 that will further align the bill with the Governor's proposal. We also are working with legislative leadership and the Administration to try to move SB 367 to the Governor's desk early in the 2016 session and to support the Governor's "climate smart ag" proposals in the budget.