

State of California
AIR RESOURCES BOARD

COMPLIANCE OFFSETS PROTOCOL TASK FORCE MEMBERSHIP AND CHAIR

Resolution 20-5

January 23, 2020

Agenda Item No.: 20-2-3

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorize the California Air Resources Board (CARB or Board) to adopt standards, rules and regulations and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

WHEREAS, section 38591.1(a) of the Health and Safety Code establishes the Compliance Offsets Protocol Task Force (Task Force) to provide guidance to CARB in approving new offset protocols for a market-based compliance mechanism for the purpose of increasing offset projects with direct environmental benefits in the state while prioritizing disadvantaged communities, Native American or tribal lands, and rural and agricultural regions;

WHEREAS, section 38591.1(a) of the Health and Safety Code directs the Board to appoint members to the Task Force that include, but are not limited to, a representative from each of the following stakeholder groups: scientists, air pollution control and air quality management districts, carbon market experts, tribal representatives, environmental justice advocates, labor and workforce representatives, forestry experts, agriculture experts, environmental advocates, conservation advocates, and dairy experts;

WHEREAS, pursuant to the statutory authority listed above, CARB staff developed a Task Force Charter (included as Attachment B), which summarizes the applicable statutory requirements regarding the Task Force, and sets forth a recommended framework for the Task Force's composition, meetings, and roles and responsibilities;

WHEREAS, from May 20, 2019 through July 31, 2019, CARB staff solicited applications to the Task Force for the eleven statutory stakeholder groups and up to two public member positions, including publicly releasing a formal solicitation through CARB's climate change listservs and posting the solicitation on a public Task Force website;

WHEREAS, from September 13, 2019 through September 27, 2019, CARB staff conducted a second solicitation, in the same manner as the first solicitation, for applications from the following stakeholder groups to ensure CARB received at least

one application for each stakeholder group: environmental justice advocates, labor and workforce representatives, and environmental advocates;

WHEREAS, a selection committee consisting of the CARB Executive Officer, Assistant Executive Officer for Environmental Justice, and Director of Legislative Affairs reviewed all applications and scored each applicant based on how well they were able to demonstrate that they met the criteria identified in the solicitations;

WHEREAS, the selection committee is proposing candidates for each statutory stakeholder group, including the top two scoring candidates for the public member positions;

WHEREAS the Executive Officer is providing a single recommendation for Chair of the Task Force; and

WHEREAS, the Board finds that the makeup of the proposed slate of candidates meets the statutory requirement for Task Force representation identified in section 38591.1(a) of the Health and Safety Code.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby appoints the individuals set forth in Attachment A to serve on the Task Force.

BE IT FURTHER RESOLVED that the Board directs the Task Force to conduct its business pursuant to the Compliance Offsets Protocol Task Force Charter that is set forth in Attachment B. Pursuant to this Charter, within a year of convening, the Task Force will prepare a final written report identifying potential new Compliance Offset Protocols. The report should clearly identify how each of the potential new Compliance Offset Protocols meet the requirements of the California Global Warming Solutions Act of 2006 (Assembly Bill (AB) 32; Statutes of 2006, chapter 488; Health and Safety Code Division 25.5, section 38500 et seq.), while providing direct environmental benefits to the state and prioritizing disadvantaged communities, Native American or tribal lands, and rural and agricultural regions.

I hereby certify that the above is a true and correct copy of Resolution 20-5 as adopted by the California Air Resources Board.

Ryan Sakazaki

Ryan Sakazaki, Board Clerk

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January 23, 2020

Identification of Attachments to the Board Resolution

Attachment A: Membership and Chair of the Compliance Offsets Protocol Task Force

Attachment B: Compliance Offsets Protocol Task Force Charter

**Attachment A:
Membership and Chair of the Compliance Offsets Protocol Task Force**

Statutory Stakeholder Group	Committee Selection
Scientists	Frank Mitloehner
Air pollution control and air quality management districts	Bruce Springsteen
Carbon market experts	Emily Warms
Tribal representatives	Timothy Hayden
Environmental Justice advocates	Neil Tangri
Labor and Workforce representatives	Antonio Sanchez
Forestry experts	David Ford
Agriculture experts	Robert Parkhurst
Environmental advocates	Brian Nowicki
Conservation advocates	Constance Best
Dairy experts	Jean-Pierre "J.P." Cativiela
Public member 1 (non-statutory)	Andrea Tuttle
Public member 2 (non-statutory)	Gavin McCabe
Chair:	Gavin McCabe

**Attachment B:
Compliance Offsets Protocol Task Force Charter**

The Compliance Offsets Protocols Task Force (Task Force) is established (Health and Safety Code section 98591.1) by Assembly Bill 398 (AB 398; Chapter 135, Statutes of 2017) as one of several provisions on a post-2020 cap-and-trade program *“to provide guidance to the state board in approving new offset protocols for a market based mechanism for the purpose of increasing offset projects with direct environmental benefits in the state while prioritizing disadvantaged communities, Native American or tribal lands, and rural and agricultural regions.”*

Scope of Responsibility:

The California Global Warming Solutions Act of 2006 (AB 32) gives the California Air Resources Board (CARB or Board) the responsibility for developing methodologies for the quantification of voluntary greenhouse (GHG) emissions reductions, often referred to as Compliance Offset Protocols. All GHG emissions reductions achieved and quantified by these Compliance Offset Protocols must be real, permanent, quantifiable, verifiable, enforceable, and additional to any GHG emissions reductions otherwise required by law or regulation or that otherwise would occur. CARB offset credits are tradable compliance instruments that represent verified GHG emissions reductions or removal enhancements made in sectors and sources not covered by the Cap-and-Trade Program. In the Cap-and-Trade Program, covered entities may use CARB offset credits to fulfill a limited portion of their compliance obligation.

The Task Force will aid CARB in identifying potential new Compliance Offset Protocols for the Cap-and-Trade Program to generate compliance offset credits available for compliance use from 2021 through 2030, and specifically, protocols that have direct environmental benefits in California. As specified by AB 398 in Health and Safety Code section 38591.1, the Board shall appoint members to the Task Force from the following stakeholder groups:

- (1) Scientists.
- (2) Air pollution control and air quality management districts.
- (3) Carbon market experts.
- (4) Tribal representatives.
- (5) Environmental Justice advocates.
- (6) Labor and Workforce representatives.
- (7) Forestry experts.
- (8) Agriculture experts.
- (9) Environmental advocates.
- (10) Conservation advocates.
- (11) Dairy experts.

CARB may also appoint up to two Task Force members from outside of the statutory stakeholder groups (e.g., public members) who demonstrate substantial related experience that would benefit the work of the Task Force.

Task Force Process:

Task Force Membership and Chair

The Task Force is approved by the Board at a public hearing.

The Board will select a Chair for the Task Force. The Chair will be responsible for setting the meeting agenda, the orderly conduct of Task Force meetings, ensuring the timely and thorough discussion of meeting agenda items and adherence to the Task Force's role and responsibilities as delineated below.

Members of the Task Force will not receive compensation for their service on the Task Force, and travel, food, and related costs of participation will be borne by the Task Force member. However, CARB will consider requests for limited reimbursement of travel related expenses.

Once convened, the Task Force will meet to establish its internal rules for processes and procedures, under the guidance of CARB. The Chair will direct the priorities of the Task Force based on the needs and interests of CARB and as directed by AB 398.

Task Force Role and Responsibilities

Information provided by the Task Force members shall be advisory only and limited to providing input on potential new Compliance Offset Protocols for the 2021-2030 compliance periods identified in AB 398. Any recommendations provided by the Task Force will be considered in a post-2019 rulemaking allowing time for the Task Force to establish itself and provide recommendations through a thoughtful and deliberative process.

Members of the Task Force shall not serve in the capacity of staff of CARB and shall have no authority to negotiate or otherwise act on behalf of CARB. Official communication between the Task Force members and CARB shall be conducted in compliance with existing laws governing interactions between government bodies.

The Task Force will formulate a record of discussion through documentation of what is shared at Task Force meetings. This record is a public document that can be used to help educate staff and the Board on relevant topics. The Task

Force may also, at the request of either the Chair of the Task Force or the Board Chair, draft and submit written and verbal statements to the Board.

Task Force members are not “consultants” under the Political Reform Act and are not subject to the Act’s restrictions or the requirement to file an annual economic interest statement.

Within a year of convening the Task Force, the Task Force will prepare a final written report identifying potential new Compliance Offset Protocols. The report should clearly identify how each of the potential new Compliance Offset Protocols meet the requirements of AB 32 while providing direct environmental benefits to the state and prioritizing disadvantaged communities, Native American or tribal lands, and rural and agricultural regions.

Task Force members may be assigned by the Task Force Chair to participate in subgroups responsible for drafting portions of the final report, subject to open meeting law requirements.

Meetings

The Task Force is expected to meet twice. Meetings will be public and CARB staff will ensure that they are conducted according to applicable public meeting rules and regulations. Board members, members of the California Legislature, and Executives from CARB and other state agencies may attend these meetings. Any person present at a Task Force meeting shall be afforded a reasonable opportunity to make oral comments.

CARB Roles and Responsibilities

CARB staff will work closely with the Chair to set meeting agendas, identify critical issues for Task Force consideration, and coordinate public input. CARB staff will provide proper notice of an agenda for each Task Force meeting, provide Task Force members with necessary materials, and ensure that the public has an opportunity to participate in Task Force meetings.

CARB staff will work closely with the Task Force to ensure that any new potential Compliance Offset Protocols being discussed by the Task Force are evaluated to assess whether they satisfy AB 32 requirements that all GHG emissions reductions achieved and quantified by the offset protocol must be real, permanent, quantifiable, verifiable, enforceable, and additional to any GHG emissions reductions otherwise required by law or regulation or that otherwise would occur under a conservative business-as-usual scenario. (See Health & Safety Code § 38562(d).) To assist in this evaluation, CARB staff will work with

the Task Force to assess whether the quantification methodologies are sufficiently accurate and conservative.

CARB staff will provide technical and logistical support to the Task Force in setting up meetings and provide information and materials that have already been developed by CARB in designing and implementing the compliance offset program. CARB staff will provide ongoing updates to the Board on Task Force activities at public meetings as necessary. Task Force members may appear before the Board at public meetings at the request of the Board or at the decision of the Task Force Chair.

Formal consideration and approval of any of the new recommended Compliance Offset Protocols will be conducted by the Board, at its discretion, pursuant to applicable state laws on adopting new regulatory requirements.