

# **Checkoff Working Group Meeting**

Use of Funds & Governance Options

February 20, 2026




# Discussion

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- I. Goal of checkoff
- II. Use of checkoff funds
- III. Financial authority and decision making
- IV. Board composition

# Use of Checkoff Funds

# Use of Funds - Established CA Checkoffs

Visit California	California Avocado Commission	California Olive Oil Commission
<ul style="list-style-type: none"><li>• <u>Develops and funds a tourism marketing plan</u>, most evident in the “Visit California” campaigns</li><li>• Funds pay for the <u>salary and benefits of the commission’s executive director</u>, as well as 100+ staff</li></ul> 	<ul style="list-style-type: none"><li>• <u>Advertising, educating, scientific research, and surveys and analyses</u></li><li>• <u>Can engage in lobbying</u>, not election campaigning or political contributions</li><li>• Annual Funds pay for the <u>commission’s President and 7 staff</u>. The commission reimburses the CDFA for all services the agency provides to the commission (e.g., administrative management)</li></ul> 	<ul style="list-style-type: none"><li>• <u>Research grants, education and outreach to farmers</u>, and standards development and enforcement.</li><li>• <u>Can engage in lobbying</u>, not election campaigning or political contributions</li><li>• Commission pays for its <u>own operational costs</u></li></ul> 

# Example Use of Funds - Clean Energy Checkoff

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To promote the clean energy industry through communications and marketing campaigns, broadly defined.

- Consumer-focused campaign to “brand” the benefits of clean energy (e.g., affordability, reliability, pollution-free)
- Battery safety initiative to educate communities and first responders on mitigation measures at or near clean energy assets (funding firefighters, CA Battery Energy Safety Collaborative, grassroots technical assistance)
- General support for state and regional trade associations
  - Funding spokespeople, not associated with developer-led projects
- Workforce development programs at local community colleges to align with solar PV / BESS projects
- University consortiums to provide technical assistance to local governments on siting and permitting issues
- Research to address clean energy projects’ interconnection needs
- Legislative advocacy, such as education, analysis and lobbying, in support of clean energy issues

# Checkoff Funding Flow

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**Fee Assessed**



**Clean Energy Board**  
Selected with industry



**Example Recipients**

Consumer-focused  
messaging

Battery safety  
initiative

State industry trades

University consortiums

# **Financial Authority & Decision Making**

# Financial Authority Examples

## California Avocado Commission

- All money received by assessments are deposited in financial institutions designated by the commission and are disbursed by order of the commission.
- The vote of a majority of members present at a meeting at which there is a quorum shall constitute an act of the commission.
- The Secretary of the California Department of Food and Agriculture (CDFA) may require to correct or cease any activity or function deemed to be not in the public interest or in violation of the law.

## California Olive Oil Commission

- Moneys received from assessments are deposited in financial institutions designated by the commission and are disbursed by order of the commission.
- A vote of the majority of members present at a meeting at which there is a quorum constitutes an act of the commission.
- The Secretary of CDFA may require to correct or cease any activity or function deemed to be not in the public interest or in violation of the law.

# Financial Authority / Decision Making – Options

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- Option 1: Funds are controlled by the Board and disbursed by a member, officer, or designee.
  - 1A: All technologies under one Board.
  - 1B: Separate Boards for each technology, with Boards deciding when to co-fund together.
- Option 2: CEC holds the funds and the Board makes recommendations to CEC.
- Option 3: A third-party NGO controls the funds. Board members and CEC commissioners are on the advisory board of the NGO to advise on decisions.

**Recommendation:** Separate Boards for each technology type, with ability to co-fund; funds disbursed by a member, officer, or designee.

# Checkoff Governance

# Governance Examples

## Visit California

- 37-member board
- 12 commissioners appointed by the Governor, with regional and industry representation
- 24 elected commissioners, decided by votes from assessed businesses within each industry sector. Companies' votes are weighted by their share of assessed fees
- Director of the Governor's Office of Business & Economic Development (GO-Biz) is a non-voting member

## California Avocado Commission

- ~14 members
- 2 avocado handlers elected on statewide basis
- 8-10 avocado producer members elected to represent commission- determined districts; each district represent an equal percentage of avocado production in California
- 1 public member appointed by the Secretary of CDFA from nominees recommended by the commission
- Secretary of CDFA is nonvoting, ex officio commission member

## California Olive Oil Commission

### Board of Directors – 11 members

- 6 producers, 2 elected from each district
- 3 handlers, 1 elected from each district
- 1 public member appointed by the Secretary of CDFA from nominees recommended by the commission
- Chair of the advisory committee (see below)
- CDFA Secretary is an ex-officio member

### Advisory Committee – 7 members

- Represents smaller producers who are below the assessment threshold
- Chair selected by members

# Governance Question #1: Board Members

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- Which stakeholders should have a seat on the board?
  - Company representation
    - Manufacturers
    - Project developers
    - EPCs
  - Trade association representation
  - Public member(s)
  - CEC Chair or other designee

**Recommendation:** Representation across the clean energy supply chain will provide the Board with a holistic perspective.

## Governance Question #2: Board Elections / Appointments

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- How do people get on the Board?
  - Option 1: Appointments by Governor
  - Option 2: Appointments by CEC Chair
  - Option 3: Trade associations submit nominations
  - Option 4: Elected by industry; voting criteria and mechanism need to be determined

**Recommendation:** The CEC has relationships with industry, and is well poised to appoint representatives to the Board via a nominations process.

## Governance Question #3: Board Size

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- What is the optimal Board size?
  - Option 1: <15
  - Option 2: 15-29
  - Option 3: >29

**Recommendation:** 7-15 members