Committees

Hello community! This post will serve as a discussion thread to solve for one of the biggest challenges faced by the Token House so far. The main idea is to reduce delegate overload by introducing a notion of "committees" which are tasked by the collective to focus on specific subsets of proposals.

If approved, this proposal will remain in effect for one season (~3 months)—think of it as an experiment. This will allow for testing and reflection on whether or not committees are beneficial to the governance process before making any decisions that are difficult to reverse.

Problems to Solve

We heard lots of feedback from community members and delegates throughout Season 1. Committees attempt to solve the following problems:

1. Information Overload for Delegates

There are currently a lot of proposals to be voted on by Token House delegates. Even for delegates that are very familiar with the context of these proposals and their applications, processing all these proposals is unsustainable. Providing feedback on proposal drafts and engaging on forum posts, while voting on active proposals, is currently an unmanageable workload for many delegates.

2. Purpose Mismatch for Delegates

Delegates have different areas of specialty. While the majority of proposals to date have been related to DeFi, some delegates specialize in non-DeFi related topics such as public goods, tooling, and L2 infrastructure. These delegates don't feel well-equipped to vote on DeFi proposals or aren't interested in doing so.

Why committees should solve these problems

This problem may be alleviated by segmenting the work of assessing proposals among smaller, focused groups (”committees”). These committees will primarily perform information filtering and synthesis so that delegates aren't overloaded with information. Delegates that specialize in a particular topic can defer to the recommendation of relevant committees on topics outside their area of expertise/interest.

Introducing committees

In Season 2, we will experiment with a new proposal type: committee formation.

Committee formation proposals may only be submitted by delegates with >0.5% of voting power and will be accepted only for Voting Cycle #5

, requiring submission before 7p GMT on Aug 25 in order to be included in Voting Cycle #5

. There is no requirement for all committee members to have >0.5% of votable supply, but at least one member must in order to submit the proposal. Phase 1 committee formation proposals should follow this template and should be posted for feedback 1 week in advance of the start of Voting Cycle #5

. This proposal type may be added to the operating manual in Season 3.

A maximum of 4 committee formation proposals will be ratified for the duration of Season 2. Up to 4 committee proposals (measured by OP voting "Yes") will be implemented at the start of Season 2 (with Voting Cycle #6

) on Sept 8. If more than 4 committees are proposed, the 4 committees with the most votes will be implemented. Votes will be ranked across all categories. We would like to encourage a diversity of committee types and recommend delegates only vote "yes" for their top 1-2 committees in each category.

Committees will operate primarily via social contract and, apart from governance-approved OP rewards for committee participation, will not directly manage tokens. Instead, committees will vet, research, and discuss proposals, then make highly visible recommendations to non-committee delegates at the time of voting. Committee members will receive OP rewards to incentivize this work.

By approving a committee, delegates are entering a social contract to entrust and delegate the bulk of decision-making to the committee.

They are expected to follow the recommendation of committees, except in extreme circumstances, such as:

- undisclosed conflict-of-interest by the committee

- perceived corruption or self-dealing

- suspected operational security compromise/committee accounts hacked

Committee members may vote against the recommendation of their own committee, but recommendations should include a list of any dissenting committee members along with their reasoning.

Delegates not serving on committees will still be responsible for signing all their own votes. If delegates vote against the recommendation of the committee, they will be expected to post their reasoning in the forum roundup thread. To address concerns about a drop-off in non-committee delegate participation, the Optimism Foundation will track this data and re-evaluate the structure of committees if we see a meaningful decrease.

We believe this approach will address the feedback we received in Season 1 in a governance-minimized way, limiting the complexity introduced into voting or proposal processes. The Foundation will continue to handle the administrative work of sending OP to governance-approved grant recipients, as in Season 1.

Foundation Recommendations

While it's the Token House's ultimate decision on what this season's four committees should specialize in, our initial recommendation is: 2 DeFi

committees specializing in different focus areas, NFTs

, and Tooling.

If 4 committees are not necessary, fewer committees may be approved.

We have updated the cap on the number of committees to accommodate the potential creation of two distinct DeFi committees. In the event that two DeFi committees are approved, each committee should handle proposals related to distinct focus areas. If >1 DeFi committee proposal is submitted, each committee should specify an area of specialization so that there would not be a case where two committees are making recommendations on the same proposal. While committees may provide recommendations for proposals that fall outside their domain, only the recommendation of the most directly relevant committee will be surfaced and included on Snapshot. In the event that there is a proposal that does not fall clearly within any of the approved committees, it will be up to the committees to decide which committee will provide a recommendation.

These committees will dissolve at the end of Season 2, and the following Reflection Period will allow the Token House to renew existing committees or propose new ones.

We put forward the following guidelines for committees:

- Each committee must consist of a Committee Lead

and up to 4 other Committee Members. Committee Leads will be responsible for general coordination of the committee and publishing recommendation analyses on behalf of the committee.

- Committees will self-determine how they reach consensus on the recommendations that are put forward to delegates. This process may be different across committees.

- Committees will be expected to operate transparently by communicating in open channels and sharing information in public forums. Even if decision-making processes differ, they should communicate similar information in a consistent place.

- Committees will also be expected to publish a report on their process, learnings, and outcomes at the end of the Season.

- If something is not clearly outlined in this post or the operating manual, committees have decision making authority over their own operations, and may decide to make exceptions for proposers at their discretion

Based on Reflection Period feedback, we are recommending the following compensation structure. This will be paid out of the Governance Fund in $OP.

Each of the approved committees will receive a base level of rewards in the amount of $10k equivalent in $OP, to be distributed among committee members. This budget is meant to support 5 committee members, including a committee lead. Since workload is unlikely to be standardized across committees, at the end of the season, an additional $10k equivalent per committee in $OP rewards will be allocated between committees based on relative workload and contribution during the season. Please note that all committee members that receive compensation will need to be KYC'd. KYC information will be collected privately by the Optimism Foundation.

Similar compensation discussions in other communities frequently gets heated and becomes unproductive. For this reason, and to avoid unnecessary conflict, the Optimism Foundation will make the final decision on committee compensation for Season 2.

If the community feels that this structure is severely off the mark, they can voice that during this Reflection Period, but the Optimism Foundation will override if discussion becomes unproductive or loses civility. Incentives for non-committee delegates is out of scope for Season 2, but something on the roadmap for Season 3.

Open Questions

What would the community like to see in the proposal template for the creation of a new committee? → You can provide feedback on the Phase 1 Committee Formation Proposal Template here

What is the best way for committees to communicate with each other and with non-committee delegates to maximize transparency? → this is something to be specified in the proposal template

What is the best mechanism by which to hold committees accountable at the end of, and during, a season?