

Paul Buttner

08-3-3



C A L I F O R N I A   R I C E   C O M M I S S I O N

March 25, 2008

Mary Nichols, Chairwoman  
c/o Clerk of the Board  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

Subject: Proposed Revisions to the Carl Moyer Program (Item #08-3-3)

Dear Chairwoman Nichols:

We are writing to provide comments on the proposed amendments to the Carl Moyer Program. These comments are submitted on behalf of the 2,500 California rice growers that produce premium-quality rice on approximately 500,000 acres. About 95 percent of these acres are located in the Sacramento Valley.

The California Rice Commission (CRC) is very concerned about the ability of the Carl Moyer Program to serve the needs of agriculture. Accordingly, our comments focus specifically on the new Chapter 7 provisions that establish criteria for qualifying farm equipment. Staff's proposed criteria would require that farm equipment evaluations be based upon a five-year project life. CRC is concerned that this project life is too short and may not adequately reflect the true useful life of farm equipment used throughout California agriculture. We are concerned that the use of a five-year project life will result in farm equipment projects being prioritized too low to be equitably served by the Carl Moyer Program.

We have discussed this issue with your staff and appreciated their willingness to discuss the agricultural industry's concerns. Other agricultural groups that joined CRC in these discussions included the California Farm Bureau Federation and California Cotton Ginners and Growers Associations. These organizations share in CRC's concern over the use of a five-year project life for farm equipment.

We recognize that farm equipment use data available to your staff was very limited. To address this situation in greater detail, CRC recommends the following actions be considered by the Board at its March 2008 hearing:

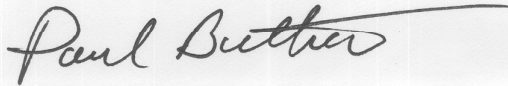
- Direct staff to work with agricultural industry representatives over the next six months to review all new and existing data regarding the useful life of farm equipment in California and re-evaluate the proposed five-year project life factor.

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- Direct the Executive Officer to report back to the Board by December 31, 2008 on actions taken to revise Carl Moyer Program criteria for evaluation of agricultural equipment projects.

We appreciate your consideration of our comments. Please feel free to contact me at (916) 387-2264 if you have any questions.

Sincerely,



Paul Buttner  
Manager of Environmental Affairs

c: Jack Kitowski, Air Resources Board  
Cynthia Cory, California Farm Bureau Federation  
Roger Isom, California Cotton Ginners and Growers Associations

ORIGINAL: Board Clerk  
Copies: Executive Officer  
Chair