

State of California
AIR RESOURCES BOARD

Resolution 98-2

January 29, 1998

Agenda Item No.: 98-1-2

WHEREAS, the Connelly-Areias-Chandler Rice Straw Burning Reduction Act of 1991 (the Act; Health and Safety Code section 41865) mandated the phase down of burning rice straw in California's Sacramento Valley to improve the air quality for the citizens of the region;

WHEREAS, a provision in the Act called for the creation of an Advisory Committee on Alternatives to Rice Straw Burning;

WHEREAS, the Advisory Committee in its 1997 status report and the Board in its *1997 Report to the Legislature--Progress Report on the Phase Down of Rice Straw Burning in the Sacramento Valley Air Basin* have both concluded that financial assistance is needed for nurturing the development of alternatives;

WHEREAS, recently enacted Senate Bill 318 (M. Thompson; Stats 1997 Ch 745) modified the Act, created the Rice Straw Demonstration Project Fund (the Rice Fund), and directed the Board to administer the Fund;

WHEREAS, the Rice Fund was created to provide cost-sharing grants to proponents of projects which use rice straw in order to speed the development of a market for rice straw;

WHEREAS, the Act requires in section 39752 of the Health and Safety Code that funding criteria be developed by the Air Resources Board in consultation with the Department of Food and Agriculture, the Trade and Commerce Agency, and the University of California, and that these criteria be adopted by the Board at a noticed, public hearing held by the Board;

WHEREAS, the ARB staff has provided opportunities for public comment at two workshops and numerous individual meetings and telephone conversations with interested individuals and experts in the fields of entrepreneurship and business development;

WHEREAS, the ARB staff has developed the draft funding criteria in consultation with the three state agencies as specified in the Act, has made these criteria available to the public and discussed them in a public workshop, has considered public comments received, and has amended the published draft funding criteria document to reflect these comments;

WHEREAS, the amended funding criteria proposed for adoption by the Board have been presented at the Board meeting in a form that highlighted all changes made since the criteria were published;

WHEREAS, a public meeting has been held in accordance with the Act, and the Board has considered the testimony presented by interested persons and the Board staff; and

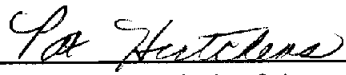
WHEREAS, the Board finds that:

1. The funding criteria for the Rice Straw Demonstration Project Fund were developed as specified in Senate Bill 318 and are consistent with the bill;
2. The funding criteria are anticipated to promote the development of a self-sustaining commercial marketplace for Sacramento Valley's rice straw;
3. The Board agrees on the necessity of public funding to facilitate the development of alternatives to burning rice straw;
4. The schedule and administrative procedures for awarding grants from the Rice Fund program are reasonable and necessary for the successful and expeditious implementation of the program; and
5. The successful implementation of the Rice Fund Program will improve air quality in the Sacramento Valley region by helping to create an alternative to burning rice straw.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts *The Rice Straw Demonstration Project Fund--Program Description and Draft Proposed Invitation for Grant Request* as set forth in Attachment A.

BE IT FURTHER RESOLVED, that the Board hereby directs the staff to distribute the Invitation for Grant Requests as appropriate and to recommend to the Board the projects which should be awarded grants at its May 21-22, 1998, public meeting.

I hereby certify that the above is a true and correct copy of Resolution 98-2, as adopted by the Air Resources Board.



Pat Hutchens, Clerk of the Board