



the produce aisle, but also in the ready-made foods we eat every single day. That can't happen without water. The state's multi-faceted agricultural industry represents food production for California residents and others, jobs that contribute to the State's economic health, and trade, an important part of California's role in the global economy.

## FOOD: California is the produce aisle for America

California farms produce approximately 400 different commodities from apples to zucchini, much of it for the fresh market. Farms in general typically rank high in public opinion surveys because of the direct connection consumers feel when it comes to the food they buy. Consumers want access to fresh fruits, nuts, and vegetables, as well as dairy and meat products. Consumer preference leans toward California products because of their close proximity to population centers, as opposed to food coming in from other states or countries.

There is a high level of confidence among consumers about the quality and safety of California-grown products.

## Consumers drive the planting decisions that farmers make

There is little sense for a farmer to grow food crops that people aren't going to buy. When a consumer purchases broccoli or a jar of pizza sauce, that indicates

a demand for broccoli or the processing tomatoes that went into the pizza sauce. Farmers plant those crops to meet the consumer demand for them. Artificial restrictions on what farmers can grow affect the availability of those products, limits consumer choice, and ultimately raises prices at the consumer level.

## JOB: California farms employ more than 400,000 skilled people each year.

California's farm-related workforce is made up of skilled laborers who plant, tend, and harvest the crops at the beginning of the food chain. Planting lettuce precisely or harvesting a cantaloupe at its optimum ripeness takes training and skill that most people don't have. When you tap on a melon at the grocery store and tell yourself it's a good one, most likely it's because a skilled laborer already made that decision a few days earlier in a field producing almost 15,000 cantaloupes per acre (an area about the size of a football field). California is the nation's [No. 1 cantaloupe state](#), accounting for 75 percent of U.S. production.

The 2021 drought cost California's farm labor force over 14,300 jobs with total economic costs totaling more than \$1.7 billion. Job losses and the economic impact are estimated to be [50 percent higher](#) this year. Investments in new water storage that would help bridge the shortages that occur in drought years would help protect jobs, associated labor income, and the economic downturns that hit disadvantaged communities hardest when water supplies for farming are reduced. Long-established, rural communities are counting on elected leaders to protect their jobs and their towns before both disappear.

Table ES-1. Summary of Preliminary Annual Economic Impacts of the 2021 Drought on Agriculture in the Central Valley, the Russian River Basin and Northern Intermountain Valleys.

Description	Current drought	2012-16 drought*	
	2021	2014	2015
Surface water shortage (maf/year)	5.5	6.6	8.7
Groundwater replacement (maf/yr)	4.2	5.1	6
Net Water Shortage (maf/yr)	1.4	1.5	2.7
Drought-related idled land (acres/yr)	395,100	428,000	540,000
Crop Revenue Losses (\$ million/yr)	\$962	\$876	\$973
Increased Pumping Costs (\$ million/yr)	\$184	\$491	\$638
Direct Economic Costs (\$ million/yr)	\$1,146	\$1,586	\$1,989
Direct Employment Losses (jobs/yr)	8,745	6,920	10,000
Total Economic Impacts (\$ million/yr)	\$1,705	\$2,372	\$2,919
Total Employment Impacts (jobs/yr)	14,364	15,480	21,700

\*Inflation adjusted. Adapted from Medellin-Azuara et al. (2015), Howitt et al. (2015) and Lund et al. (2018). Agricultural area coverage out of Central Valley differs between the current and the 2012-2016 studies.

*The 2021 UC Merced report, "Economic Impacts of the 2021 Drought on California Agriculture" showed how, once again, unstable water supplies negatively impacted rural communities, employment & California's overall economy. Image source: UC Merced*

## **TRADE: California exists in a global economy and trade is essential**

[California farms and ranches produced \\$49.1 billion in output in the 2020 crop year](#), a 3.3 percent decrease from the previous year. Of the \$49.1 billion, \$20.8 billion, or roughly 42 percent, was exported. Some have criticized this because of the so-called “virtual water” that is exported in crops that go to overseas buyers. It is important to note two critical flaws in that assumption.

Water policy expert Jay Lund debunked the concept of “virtual water” in a California Water Blog post in 2015, during California’s last drought. In it, Lund said,

*“Talk of virtual water distracts from serious discussion of economic, environmental and hydrological objectives and processes important for real water and environmental systems to function. Virtual water discussions are all the more counterproductive coming in the midst of a very real and serious drought.”*

Secondly, it would be impossible for California to eliminate the crops we export in exchange for the water used to grow them. Even as an agricultural powerhouse, California, and more accurately, *Californians*, want food products that grow in California, in other places around the world, and in seasons when they do not grow here. Rebalancing California’s water supply by limiting the production and sale of specific crops won’t work and will lead to unstable food supplies and economic chaos.

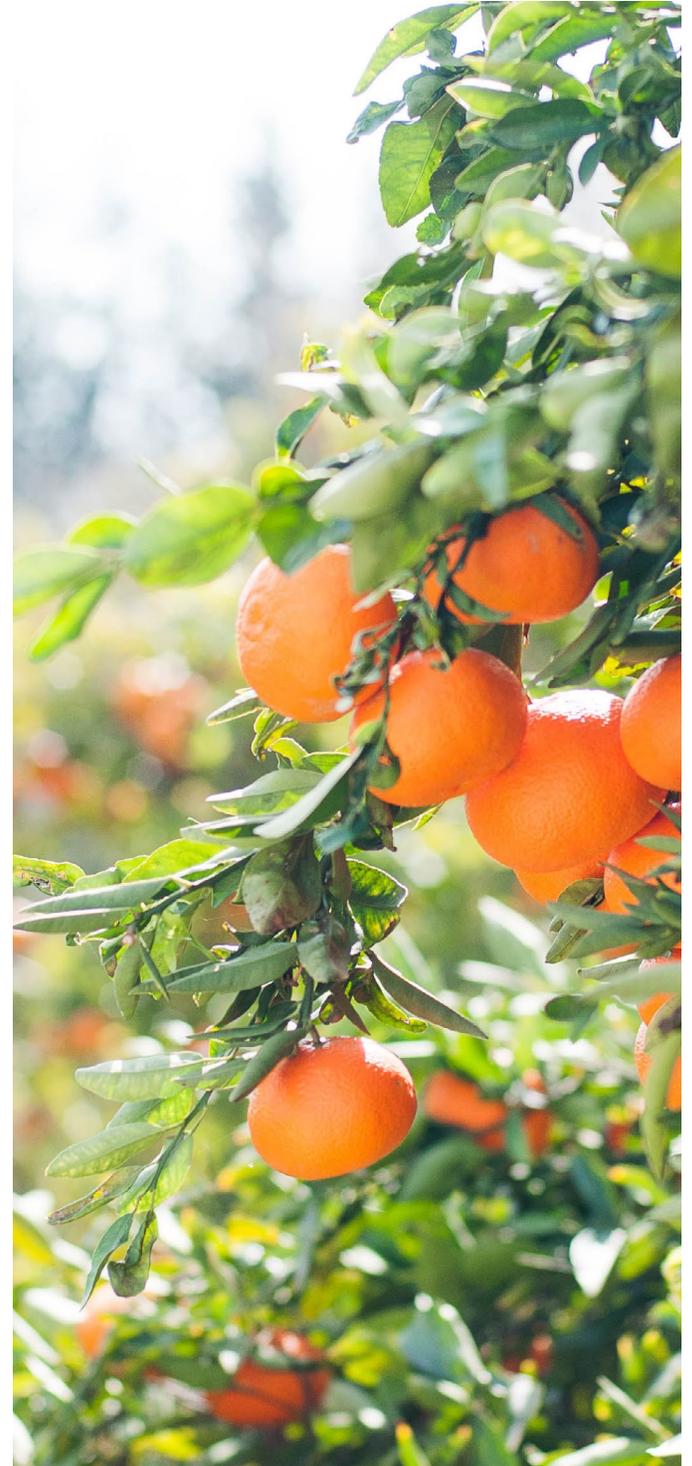
### **What’s grown in California cannot simply be moved to other states.**

California is the No. 1 farm state in the nation because of its Mediterranean climate, one of only five similar regions around the world, which include southern and southwestern Australia, central Chile, much of California, the Western Cape of South Africa, and around the Mediterranean Basin. Within the United States, California’s climate is unique and not replicated in any other state. Most other states have more significant weather extremes, higher altitudes, oppressive humidity, and in some cases, too much water.

A notable example is California’s processing tomato industry, which produces 80 percent of the processing tomatoes grown in the U.S. and 30 times the amount grown in the No. 2 state, Indiana. That is because tomatoes are a summer crop. They won’t survive in freezing conditions and they grow poorly where it is

cold, windy, or wet. They need warm, dry weather to ripen properly.

California processing tomatoes are found fresh at the grocery store, in countless ready-made food products, and in many of the restaurant meals people enjoy when eating out. Whether you’re in New York, Boston, Denver, or Seattle, if you’re opening a jar of pizza sauce, making spaghetti, or dipping into some salsa, chances are that the tomatoes that went into it came from a farm in California.



**A safe, affordable, domestic food supply is a national security issue, just like energy. Our elected leaders must make it a priority. How do we do that? Increased water storage.**

A recent [policy briefing](#) by the Public Policy Institute of California indicated that capturing additional wet year flow can be done without harm to the environment and would be a smart climate change strategy.

**Excerpt from the PPIC policy brief: Tracking Where Water Goes in a Changing Sacramento–San Joaquin Delta**

*“Prepare for wet years. Increasing the amount of water stored during wet periods—whether by taking more water out upstream of the Delta, or making the best use of export facilities—has to be done with care for the environment and other water users. But it is possible to*

*do a better job of storing water during wet years—both above and below ground—without doing harm. Improving the management of wet-year supplies is a critical climate change adaptation strategy. This will require identifying cost-effective investment options and adapting operations and regulatory approaches to facilitate capturing more water in wet times.”*

Sitting down to a meal is a great way to stay connected with your family. And there is no better place to do it than in California where natural resources, such as a proper climate, healthy soils, and abundant water supplies, exist if we use the tools to manage them. The PPIC tells us, in wet years, we can store more water to help us through the dry ones. There is public support for new water storage in the form of Proposition 1 that passed by an overwhelming majority in 2014. And carefully vetted projects are waiting that were designed to capture peak flood flows and save them for the next drought and for replenishing our groundwater aquifers as required by California law.

All that’s left is to move the pieces forward, advanced with funding from California’s record budget surplus, and done in ways that protect the state’s cherished environment.



*The California Water Commission process to get from voter approval of Proposition 1 in 2014 to the start of project construction will take anywhere from 8-11 years. Faster approval would help capture available water in wet years, such as 2017 and 2019, as recommended by the Public Policy Institute of California. Image source: California Water Commission*

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*The mission of the Valley Ag Water Coalition is to represent the collective interests of its San Joaquin Valley member agricultural water companies and agencies in California legislative and regulatory matters by providing leadership and advocacy on issues relating to the development and delivery of a reliable farm water supply.*

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*CFWC is a non-profit, educational organization that provides fact-based information on farm water issues to the public.*