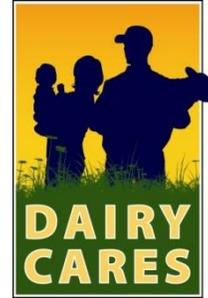


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California agriculture can be a bright spot, solid investment for state's economy

With rising energy costs and the mounting number of home foreclosures, the economy continues to struggle to shake-off the effects of the 2009 economic downturn. Like other sectors, the California dairy community felt the impact of the "Great Recession," with 48 family dairies forced to close their barn doors and milking parlors just last year. That's in addition to the nearly 200 family dairies that went out of business from 2009 to 2010.

While dairy families have faced tough times to say the least, dairies and agriculture as a whole have proven to be a relatively stable part of our economy since 2009. This ability to weather the economic storm can be partially attributed to a simple truth – people need to eat. California farm families have an impressive track record of feeding the population safely, reliably and affordably. With 3 billion more people expected on the planet by 2050, agriculture is positioned to be one of our state's best opportunities for long-term sustainable growth.

So how do we cultivate a strong agricultural economy for the future of California? The answer lies partly in the relationship government chooses to have with farmers and related agricultural businesses. Here are some thoughts on how governments (federal, state, regional, county, local) can support the economic engine that is farming in the Golden State.

Recognize agriculture for its unique role

Agriculture, year in and year out, has provided a stable economic base for California, especially in the Central Valley. Yet many county governments treat agriculture as a second-class citizen, preferring to attract suburban housing developments instead of supporting and investing in efforts to make our farm production stronger, more competitive and better able to capitalize on the opportunities provided by growing world markets.

An American Farmland Trust analysis showed that for every dollar of taxes paid by farms, only 33 cents of government services are used. In contrast, a suburban household costs county governments about \$1.10 in services for every dollar of taxes paid. Nevertheless, counties like Kern have stalled the dairy permitting process for years while encouraging unsustainable suburban housing developments. As a result of this type of short-

sighted policy-making and failure to build on economic fundamentals, many counties are suffering an extra measure of economic strain due to the housing crisis. Agriculture provides part of the cure: a way to create jobs, build the tax base and stimulate economic activity without a huge, unsustainable demand for services that counties never seem to figure out how to pay for.

Agencies must coordinate

Business and agriculture, including dairies, are regulated by a dizzying array of agencies at the federal, state, regional and county level. Dairy farmers comply with regulations related to air and water quality, working conditions, food safety and other areas, all managed by different regulatory and government agencies. It's important for these entities to realize they are not alone in interacting with dairy farmers – most farmers are small businessmen and women with just a few employees. More must be done to ensure that requirements are coordinated, fees are consolidated and unnecessary reporting and redundant oversight is eliminated.

A good example of coordination is the regulatory reform being made in [Tulare County](#). Since 2008, dairy farmers and county officials have worked together to update and improve the current Tulare County General Plan Dairy Ordinance. The collaborative effort will streamline duplicative regulations, aligning the county's Dairy Ordinance with existing regional water and air quality protections. Unfortunately, such efforts are the exception, not the rule.

Streamline requirements

Too many businesses get caught up in unnecessary costs and complications due to misinterpretation and misapplication of the California Environmental Quality Act (CEQA). Originally conceived to make sure that local government decision-makers are aware of environmental impacts before they grant permits, this process has evolved to become the bane of the California economy, slowing growth for everyone except lawyers. This process can be greatly simplified to encourage business and create jobs in local communities. Dairy farmers shouldn't need to undergo a full environmental impact report to build a barn or add a few cows on an existing dairy that is located in an agriculturally zoned area. Simply complying with existing regional air and water quality regulations (California already has the strictest environmental rules for dairies in the nation) should be enough. Too often business proposals are met with staggering fees, paperwork and delays instead of encouragement and assistance from the government.

Encourage business

For every dollar invested in researching the negative environmental impacts of agriculture, two dollars should be spent figuring out how to make and keep California agriculture the most competitive in the world. We must actively encourage business start-up and growth, balancing regulation with investments and looking for ways to move California to the forefront. The business of California should be business, and agriculture – especially dairy farming– provides one of the best opportunities for long-term, sustainable and stable growth while also providing delicious, affordable and nutritious foods for millions of families.

Dairy Cares is a statewide coalition supporting economic and environmental sustainability and responsible animal care. Our members include Bar 20 Dairy Farms, California Cattlemen's Association, California Dairies Inc., California Dairy Campaign, California Dairy Research Foundation, California Farm Bureau Federation, Dairy Farmers of America-Western Area Council, Dairy Institute of California, GHD, Inc., Hilmar Cheese Co., Joseph Gallo Farms, Land O'Lakes, Merck Animal Health, Milk Producers Council, Ruan Transport Corp., Western United Dairywomen, Yosemite Farm Credit and others. For information, visit DairyCares.com or call 916-441-3318.