

New Drought Relief Program for Agricultural Businesses

Norcalwater.org, 12/06/22

A coalition of agricultural associations and the Northern California Water Association have launched the CA Drought Grant Website – a portal for information on the CA Small Ag Business Drought Relief Grant Program. The site, agdroughtrelief.org, provides key information about the \$75 million program, grant eligibility and the ability to sign up to receive instant program updates as it becomes available in the upcoming months. When applications are available, they can be accessed from the site as well.

With the unprecedented dry year in the Sacramento River watershed, this program will be very helpful to the small businesses throughout the region who are vital to our communities and farming, which supports the essential economy and the environment in the Sacramento Valley. This year, 600 square miles of farmland were left fallow on the west-side of the Sacramento Valley, which is more than 370,000 acres of farmland, nearly 80% of the total farmland in this service area. The 2020 and 2021 water years left California, and especially California agriculture, damaged and vulnerable.” A report by Daniel A. Sumner and William A. Matthews (Department of Agricultural and Resource Economics, University of California, Davis) estimates that in the Sacramento Valley there will be 14,300 jobs lost; \$1.3 billion in lost economic value added; \$732 million in lost labor income; and supply chains are devastated.

Rice production in California was just over 250,000 acres this year. While some farmers grew as much rice as last year, production in Glenn and Colusa counties was virtually zero. For some context on the impacts, we encourage you to watch a short five-minute film on the devastating impacts we have seen this year in Colusa County as a result of the drought. The film can be watched on the website.

Applications for the CA Small Ag Business Drought Relief Grant Program are expected to be available in January 2023 and will require 2022 tax records. We are very appreciative of the Legislature’s willingness to extend drought relief to the businesses that support our farms and the Administration’s leadership, especially Secretary Ross, for recognizing the impacts in the Sacramento Valley this year without water supplies.

Thanks to our partners on this ongoing effort: the California Rice Commission, Agricultural Council of California, California Agricultural Aircraft Association, California Warehouse Association, California Tomato Growers Association, and Western Plant Health Association.

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