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Colusa-Glenn
Farm Credit Association

Federal Land Bank Association of Colusa
Colusa-Glenn Production Credit Association
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CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
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Gentlemen:

Colusa-Glenn Farm Credit is a cooperative owned by about 650 farmers and ranchers located in Colusa and Glenn Counties. We have approximately $125 million in operating, term, and mortgage loans outstanding to these agricultural producers whom are primarily small businessmen.

CALFED's various alternative solutions have the potential to devastate the agricultural industry. Clearly, many farmers operate in a fragile financial condition. If the value of their property fluctuates or their access to water is disrupted due to supply or cost, they would not be able to absorb the losses. Many would simply become bankrupt which in turn, would have a devastating effect on local economies. It could also conceivably increase food costs not just in California, but throughout the nation.

People throughout California benefit from the state's highly productive farmland, whether they work on the land, live in rural communities or shop at a grocery store in the city. Actions that hurt our rural areas hurt our cities too, because thousands of urban jobs involve moving, processing and marketing farm products from the country. People in the cities need the affordable, high-quality food produced on California farms. CALFED solution must assure reliable water supplies for our future. Additional storage will benefit both urban and rural citizens, and can be used to aid the environment and fish.

The CALFED proposal relies on taking water away from people, through transfers, conservation and idling productive land. Instead of subtracting from one group to use to provide for another, we should add to the water supply to accommodate all California needs. CALFED must make a serious commitment to develop new water storage in the state to meet a growing population. It is time that CALFED start developing new storage rather than studying storage.

Farms and ranches in California provide important environmental, open-space and habitat benefits. Farmers already participate in numerous voluntary habitat-enhancement programs. Yet the heart of CALFED's program promotes permanently retiring hundreds of thousands of acres of productive farmland, which would decimate farm communities. CALFED's restoration efforts should re-focus its efforts away from acquiring agricultural land and instead focus on maintaining existing habitat and fully utilizing public lands for this purpose. Taking farmland out of production will devastate Northern California's economy.

The CALFED program must adhere to California's water rights priority system. The CALFED program must also adhere strictly to the commitments and policies articulated in state and federal law regarding the areas and watersheds of origin. This includes adherence to these commitments and policies as they have been incorporated into various water supply and water diversion contracts. To protect water rights, there needs to be new storage and conveyance facilities.

Millions of people will be affected by CALFED's decisions, yet the program focuses on fish and wildlife habitat. Many of the actions designed to help fish will hurt people. Actions that take farmland out of production will affect farmers, farmworkers, truck drivers, cannery workers, warehouse workers, people who operate small businesses throughout rural California, and consumers who benefit from a healthy, locally produced food supply.

Thank you for allowing me to provide input for this most important issue.

Very truly yours,

Richard M. Lorenz
President

RML:kc