



April 10, 2015

Helping Our Members Prosper!

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Assemblymember Adam Gray  
P.O. Box 942849  
Sacramento, CA. 94249-0021

Re: AB 1242

Dear Assemblymember Gray:

We are writing this letter in support of AB 1242 as currently written. Yosemite Farm Credit Association has \$2 billion in agricultural loans in Stanislaus, Merced, Tuolumne, and Mariposa Counties. We have approximately 4,500 loans to local family farmers who produce food and fiber near the Tuolumne, Merced, and Stanislaus Rivers. We have serious concerns with the state agencies' use and recommendations affecting water availability in California.

Contemplating regulations that increase the levels of unimpaired flows (into the ocean) while at the same time implementing the Sustainable Groundwater Management Act of 2014 is not compatible. Reducing the potential for surface water recharge will work directly against a process for groundwater management. Less surface water means more groundwater pumping.

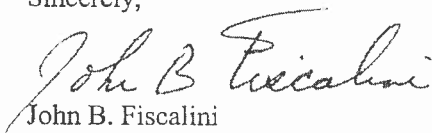
We understand the importance of trying to maintain environmental resources. We understand also, that the essence of California agricultural production is irrigated farm real estate. Water for California agriculture has value to many segments of the California economy. The following are but a few of California's 200+ crops and their United States percentage.

Walnuts	99%
Almonds	99%
Pistachios	98%
Broccoli	95%
Strawberries	92%
Grapes	91%
Tomatoes	90%
Lettuce	74%
Dairy	22%

Without water an acre of California's agricultural land potentially devalues by at least 75 percent. That devaluation will manifest itself in property tax revenue, the land values for lending purposes, and all other instances in which land value plays a part. That devaluation will be very significant.

We support AB 1242 along with the districts that provide water and power to central California families who farm and live in our area. It is our belief that AB 1242 will help in correcting the contradicting regulatory demands on the remaining small amount of water available to try and sustain California's economic viability.

Sincerely,

  
John B. Fiscalini  
Board Chairman

  
Leonard Van Elderen  
President and CEO