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**Congress of the United States  
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MIDDLE EAST AND SOUTH ASIA

March 6<sup>th</sup>, 2009

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

This letter is requesting that you create a federal economic disaster designation and declare California's Central Valley its first designee. My colleague Congressman Dennis Cardoza and I will soon be introducing legislation to implement such a designation. The impact of weak financial markets, high foreclosure rates, and skyrocketing unemployment are felt across the nation, but our communities have been disproportionately impacted due to additional regional disasters of severe drought and dairy crisis. These two crises alone are expected to result in an additional 60,000 job losses in the agriculture sector. The destruction occurring in my district is no different than that wrought by a hurricane; it has just happened over a longer period of time. An Economic Disaster Area designation would recognize the disproportional impact of this downturn and direct funding to the San Joaquin Valley.

By numerous measures, including unemployment rates, foreclosure rates, and the home price index, California's 20<sup>th</sup> district is among the most economically devastated in the country. In fact, in the 2008-2009 *The Measure of America: American Human Development Report*, which measured health, education, and income; the 18<sup>th</sup> and 20<sup>th</sup> Congressional Districts were both ranked in the bottom 25% of districts nationwide. Since that report was released last year, things have only gotten more calamitous in our Central Valley.

Agriculture drives the economy in the Central Valley. As you know, water is the lifeblood of agriculture, and over the past several years available supplies of water for irrigating agriculture have been substantially diminished. California's current drought is forcing farmers to leave enormous swaths of acreage to fallow, resulting in tens of thousands of unemployed agricultural workers and the closing of numerous businesses. California reservoirs are dangerously low, and the U.S. Bureau of Reclamation has issued a ZERO water supply for federal Central Valley Project water deliveries in the San Joaquin Valley. The State of California has announced a 15% supply for the State Water Project, an unprecedented move that will deliver another blow to an industry already on its knees.

Kings County is entirely in my district, and is in the top ten dairy producing counties nationwide. Dairy operations are suffering devastating losses after milk prices collapsed, having fallen 33 percent lower than they were a year ago. This crippling environment has recently led to a tragic event, the suicide of a local dairyman. This instance serves to underscore the dire condition our Valley is experiencing. These conditions have created a Hurricane Katrina-like effect in the Central Valley. The negative synergy of the local crises and the national economic hardships are creating a "perfect storm" of sorts in the region. Individually, they would cause great suffering; coupled together, the Valley is economically crippled.

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President Barack Obama  
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In Fresno County the January 2009 unemployment rate was 15.7%. In cities where the drought and dairy crises have hit especially hard the unemployment numbers rise even further. Firebaugh and Mendota, in Fresno County's Westside have unemployment rates of 35% and 40% respectively. In all three counties in my congressional district, Fresno Kings, and Kern; the unemployment rate is substantially higher than the national average of 8.1%. In Delano, a city with 50,000 people, more than *one third* of them are unemployed. In addition, both major metropolitan areas I represent, Fresno and Bakersfield rank among the top ten metro areas with some of the highest rate of foreclosures in the nation. Families are losing both their jobs and homes at an alarming pace. Sadly I believe these unemployment numbers in the next year will rise, because of the lack of water and the housing crisis.

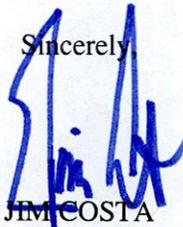
California contributes more in federal revenue than it receives in federal spending, and the Central Valley receives a disproportionately small share of the funds California receives. As a result, without new, targeted federal resources and attention, communities in my district will be hard pressed to recover from this disastrous situation.

Under the Clinton Administration, the President issued an Executive Order, at the request of Congressmen Dooley and Condit that created a federal task force to steer federal resources to the Valley. While it had good intentions, the Order never produced its intended results. The Economic Disaster Area designation will expand upon these principles with a more innovative and aggressive approach. Although the impacts of drought and dairy crises are not as visually apparent as a flood or hurricane, the impact is no less dramatic, and no less threatening.

We ask that you provide increased unemployment benefits to those eligible in our region, as well as new specific infrastructure improvements to put people back to work, such as improvements for water supply, Highway 99, the expansion and modernization of our Federally Qualified Health Centers, and rural broadband development. Further, in response to increasing crime rates and gang activity, we request supplemental funding for police agencies to hire more officers and acquire the necessary equipment. Lastly, we call upon you to increase funding for education, specifically vocational training programs that help to retrain workers who are displaced by these crises.

While I certainly appreciate the many demands facing this nation, and the multiple strains on your time, I invite you to come to the San Joaquin Valley, you have not been here before, so that you may witness the devastation first hand. Thank you for your consideration of this urgent request. I look forward to your prompt response.

Sincerely,



JIM COSTA  
Member of Congress