

Assembly Committee on Jobs, Economic Development, and the Economy

Assembly Member Sharon Quirk-Silva, Chair

California Agriculture

California's 77,500 farms and ranches received approximately \$45.3 billion for their output in 2016, as compared to \$47.0 billion in 2015. California remains the leading U.S. state in cash farm receipts with combined commodities representing over 10% of the U.S. total.

California's agricultural output includes more than 400 commodities; including over one-third of the country's vegetables and two-thirds of the country's fruits and nuts. The dairy industry, California's leading commodity in cash receipts, generated a record \$6.07 billion for milk production in 2016, down from \$6.23 billion for milk production in 2015. The chart to the left provides 2016 commodity values. The remainder of the fact sheet shows 2015 data. The more comprehensive data for 2016 are still being compiled and will be released at a later date.

Farm Operations: In 2015, 77,500 farms operated in California on approximately 25.5 million acres. The number of state farm operations were up less than 1% over the prior year. Nearly 27% of California farms generated commodity sales over \$100,000, which was greater than 20% of the national average. Statically, the average farm size remained unchanged from 2014 (334 acres), which is below the national average of 441 acres.

Top Agriculture Producing Counties in 2015: Tulare (\$6.9 billion); Kern (\$6.8 billion); Fresno (\$6.6 billion); Monterey (\$4.8 billion); Stanislaus (\$3.8 billion); Merced (\$3.5 billion); San Joaquin (\$2.7 billion); Ventura (\$2.1 billion); Kings (\$2.0 billion); and Madera (\$2.0 billion).

The dominance of California counties is clearly demonstrated by the following selection of county highlights. Kern produces 20% of almonds, followed by Stanislaus at 17.5% and Fresno at 16.6%. Tulare leads the state in milk and cream production, providing 27% of total state production. San Diego produces 23% of state nursery products. Fresno produces nearly 40% and Merced 32% of California chickens. Monterey produces 69% of California lettuce, followed by Imperial with nearly 11%. Tulare produces 57% of all California oranges.

National Cash Crop Leader: California has the most productive land in the world and has historically led the nation in crop receipts. In 2015, U.S. crop receipts were \$379.1 billion. Receipts from California crops were \$47.0 billion with other top agricultural production states including Iowa (\$27.8 billion); Texas (\$23.7 billion); Nebraska (\$23.1 billion); and Minnesota (\$16.5 billion).

National Commodity Leader: California led the nation in over 70 crop and livestock commodities in 2015. In 14 areas, California produces 99-100% of these crops: Almonds; artichokes; dates; figs; grapes/raisins; kiwifruit; olives; Clingstone peaches; pistachios; dried plums; pomegranates; sweet rice; Ladino Clover seed; and walnuts.

| California's Top 10 Valued Commodities (2016) | |
|--|---|
| 1. | Milk and Cream - \$6.07 billion |
| 2. | Grapes - \$5.58 billion |
| 3. | Almonds (shelled) - \$5.16 billion |
| 4. | Cattle and Calves - \$2.53 billion |
| 5. | Lettuce - \$1.96 billion |
| 6. | Berries (all Strawberries) - \$1.83 billion |
| 7. | Pistachios - \$1.5 billion |
| 8. | Tomatoes - \$1.33 billion |
| 9. | Walnuts - \$1.24 billion |
| 10. | Broilers - \$801 million |
| Source: CDFA website, as accessed January 16, 2018 | |

Notable Changes in the Value of Commodity Production in 2015

| Increases in California Value of Production | Decreases in California Value of Production |
|---|---|
| Olives 88% | Chili Peppers -54% |
| Cherries, Sweet 81% | Pistachios -47% |
| Celery..... 48% | Sunflower, Non-Oil -45% |
| Onions, Spring 45% | Corn for Grain.....-60% |
| Artichokes 33% | Corn, Upland -44% |
| Leaf Lettuce 31% | Hay, Other -41% |
| Dates 31% | Apples -39% |
| Bell Pepper 30% | Apricots -38% |
| Cucumber 28% | Pecan -21% |
| Safflower 26% | |
| Grapefruit 25% | |
| Mandarins 27% | |
| Raspberries, all..... 20% | |

Source: CDFA Agricultural Statistical Overview California Agricultural Statistics Review 2015-2016

Drought Impacts: On January 17, 2014, Governor Brown declared a statewide drought emergency. By many indicators, 2014 and 2015 created increasingly harsh conditions for California agriculture. According to the U.S. Drought Monitor, as of December 29, 2015, over 95% of California's agricultural sector had experienced severe, extreme, or exceptional drought, with the livestock sector more directly exposed to exceptional drought than the crop sectors. By March 2016, 83.16% of the state was impacted by these conditions. After this year's winter storms, The U.S. Drought Monitor reports that only Imperial County (1.1% of the state) is still under severe drought conditions. The U.S. Drought Monitor, however, only measures drought impacts based on local weather. There are many other factors, such as surface water availability, groundwater access and cost, irrigation technology choice, crop insurance enrollment, livestock feed availability, and water rights, that affect agricultural production relative to water. A 2015 U.C. Davis report, based on 2014 and earlier data, estimates that direct costs of the drought on agriculture was \$1.8 million with a total economic impact of \$2.7 million. Direct job losses were estimated to be 10,100, with a total impact of 21,000 jobs. Following the close of this water season, additional research should be conducted.

California Exports: In 2015, California exported \$20.69 billion in agricultural exports, which represents approximately 12% of all exports (\$165.3 billion) in the state by dollar value. As a percentage of the total U.S. agricultural exports, California's share represents 15.6%—slightly higher than the 14.4% reported the previous year. California's top 10 agriculture export destinations include: the European Union (Germany and Spain ranking first and second); Canada, China/Hong Kong; Japan, Mexico, Korea; India; United Arab Emirates; Turkey; and Vietnam. India had the highest increase in exports by value in 2015 with a 32.2% increase over the prior year. In 2014, India also had the highest increase, 19.1% of the prior year.

| California Export Value for Agricultural Commodities | | | | | |
|---|--|---------------------------------------|-------------|-------------|--|
| 2015 Rank | Product | Export Value (million dollars) | | | Change in Export Value 2014 to 2015 (Percent) |
| | | 2013 | 2014 | 2015 | |
| 1 | Almonds | \$4,164 | \$4,528 | \$5,144 | 13.6 |
| 2 | Dairy and products | 2,408 | 2,423 | \$1,632 | -32.7 |
| 3 | Walnuts | 1,380 | 1,446 | 1,485 | 2.7 |
| 4 | Wine | 1,453 | 1,392 | 1,480 | 6.3 |
| 5 | Pistachios | 1,244 | 1,125 | 848 | -24.6 |
| 6 | Tomatoes, processed | 685 | 784 | 813 | 3.7 |
| 7 | Table Grapes | 927 | 890 | 766 | 14.0 |
| 8 | Rice | 705 | 681 | 751 | 10.3 |
| 9 | Oranges and Products | 676 | 573 | 582 | 1.6 |
| 10 | Strawberries | 394 | 408 | 390 | 4.5 |
| 11 | Seeds | 320 | 324 | 340 | 4.8 |
| 12 | Raisins | 382 | 409 | 335 | -17.9 |
| 13 | Hay | 325 | 289 | 320 | 10.7 |
| 14 | Lettuce | 377 | 338 | 315 | -6.7 |
| 15 | Beef and products | 436 | 404 | 308 | -23.7 |
| | <i>Total Agricultural Exports in 2014 from all sources (including those above)</i> | \$21,551 | \$21,590 | \$20,690 | -4.0 |

Source: CDFA Agricultural Statistical Overview C229alifornia Agricultural Statistics Review 2015-2016

National Export Leader: California provided more than 90% of total U.S. exports in 2015 in the following commodities: avocados (91.2%); almonds (100%); broccoli (94.3%); celery (90.4%); dates (100%); figs (100%); garlic (100%); kiwi (100%); olives and olive oil (100%); pistachios (100%); plums, dried (100%); plums (98.4%); raisins (100%); table grapes (100%); tomatoes, processed (94.8%); walnuts (100%); and wine (91.8%).

**This document was prepared by the Assembly Committee on Jobs, Economic Development, and the Economy and is based on information from the California Department of Food and Agriculture website and annual statistical report, <https://www.cdffa.ca.gov/statistics/> accessed 1/16/2018 and 3/10/2017.