



For Immediate Release

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MCAG One Voice Delegates Learn Details of Stimulus Programs During DC Visit

Merced, Calif., April 2, 2009 – Fifteen delegates from MCAG’s One Voice program sprinted through a tight schedule of 28 meetings in three days in Washington, D.C. to learn about new federal funding programs.

Delegates split up into smaller groups to cover meetings at the Departments of Justice, Education, Federal Aviation Administration, and Housing and Urban Development.

“The message was the same: Visit our website frequently to get details on competitive grants and their requirements,” says Joe Oliveira, Gustine City Council Member and Chair of the MCAG Governing Board. “New programs and guidelines were being developed even while we were there.”

From the first meeting to the last, a common message heard was to get ready for the increased amount of reporting that will be required by any group that accepts federal stimulus dollars. Legislators want to know that the stimulus money is being spent as agreed and they are especially interested in how many jobs will be created.

In addition to meetings with agencies and Senators’ and Representatives’ staff, the One Voice group heard overviews on transportation and economic development. Fred Abouselman, Executive Director of the National Association of Regional Councils (NARC), told the group that his agency’s mission this year was to prod the federal government to simplify. “We have 65 separate transit programs spread over a number of agencies. We have 90 separate surface transportation programs. Let’s consolidate.”

One unusual moment occurred during the trip after President Obama issued a memorandum on Monday advising that lobbyists would no longer be able to meet with federal agencies regarding stimulus funds. Tuesday morning, when the One Voice delegation arrived at

the Department of Housing and Urban Development, they were met by a department representative asking if there were any lobbyists with the group. After being assured that there were not, the delegation was then escorted to their meeting.

Meetings covered a variety of topics in transportation, economic development, education, law enforcement, healthcare, and water.

Elected officials among the One Voice delegates were Bill Spriggs, Merced City Council Member; Joe Sousa, Los Banos City Council Member; Johnny Mays, Dos Palos City Council Member; and Tommy Jones, Los Banos Mayor; Ida Johnson, Board of Trustees, Merced Union High School District and Andree Soares, Board of Trustees, Los Banos Unified School District. Other delegates included John Alexander, Executive Director of the Merced County Healthcare Consortium and Scott Galbraith, Executive Director, MCEDCO.

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About MCAG

MCAG is an association of city and county governments, with members who meet to discuss and solve problems of regional interest. More information can be found at www.mcagov.org or by calling (209) 723-3153, ext. 308.

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Cathleen Galgiani
Assemblymember, 17th District

Fax

To: Mayor Johnston

From: Cathleen

Fax: 209-937-8568

Telephone:

Date:

RE: Ltr to President requesting declaration of
"Economic Disaster Area"

3 pgs.

Pages (including cover): Please let me know for which
economic stimulus projects I can do letters.

Great talking to you!! Thanks

Urgent

For Your Review

Please Respond

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Assembly California Legislature



CATHLEEN GALGIANI
ASSEMBLYMEMBER, SEVENTEENTH DISTRICT

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March 9, 2009

President Barack Obama
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Obama :

I am writing to urge your consideration of creating a federal economic disaster designation and to name California's Central Valley as the first designee. As you may be aware, Congressman Jim Costa (20th District, California) and Congressman Dennis Cardoza (18th District, California) are preparing to introduce legislation to create such a designation.

In February, the City of Stockton, which resides in the 18th Congressional District and the 17th State Assembly District which I represent, was considering filing for bankruptcy protection. The city's general fund deficit is expected to reach \$30 million by June 2010, and further service reductions and layoffs are all but certain. Were Stockton to go bankrupt, it would be the nation's largest municipality to do so since Orange County, California in 1994. It would follow Vallejo, California, which filed for Chapter 9 bankruptcy protection last year, claiming it could no longer afford the increasing cost of employee contracts.

Unemployment is above 8% nationwide, foreclosure rates are soaring, and the weak financial markets have had a devastating effect on the economy. In California, the Central Valley is among the most devastated in the country. In Merced, California, the January 2009 unemployment rate was 18.9%. In Modesto and Stockton, the other two major cities in the district, it was 16% and 15.1% respectively. Merced has the highest rate of foreclosures in the nation, and Modesto and Stockton rank fifth and sixth and home prices continue to decline far above the national average. **According to the Federal Housing Financing Agency, the nationally one-year home price decline as of December, 2008 was: 8.24%. In Merced alone, it was 49.5%.** While the City of Los Banos, California has not been publicly recognized, 3200 of 10,000 homes had been foreclosed upon or were in the process by December of last year. The February, 2009 failure of County Bank, Merced, the largest financial institution in the county, solidified the community's economic downturn and is expected to result in the loss of hundreds more jobs throughout the district.



Agriculture drives the Central Valley's economy. Dairy operations are suffering devastating losses after milk prices declined 33% from a year ago. Additionally, California's drought is forcing farmers to leave land unplanted, resulting in tens of thousands of unemployed agricultural workers.

California is the seventh largest economy in the world and it contributes more in federal revenue than it receives in federal spending. The economic disaster area designation will help cities such as Merced, Modesto, and Stockton survive at a time when local and state governments are unable to help.

As a state legislator that represents the Central Valley, I respectfully urge your favorable consideration of this request. If you have any questions, do not hesitate to contact me at (916) 319-2017.

Sincerely,

CATHLEEN GALGIANI
Assemblymember, 17th District

Cc: Governor Arnold Schwarzenegger
Lieutenant Governor John Garamendi
President pro Tempore Darrell Steinberg
Assembly Speaker Karen Bass
Senator Dave Cogdill
Assemblymember Mike Villines
Congressman Dennis Cardoza
Congressman Jim Costa
Congressman Jerry McNerney
Senator Diane Feinstein
Senator Barbara Boxer